

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

**FORM 10-Q**

(Mark One)

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

**For the quarterly period ended December 31, 2022**

**OR**

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

**Commission File Number 001-32502**

**Warner Music Group Corp.**  
(Exact name of registrant as specified in its charter)

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

**13-4271875**  
(I.R.S. Employer  
Identification No.)

**1633 Broadway**  
**New York, NY 10019**  
(Address of principal executive offices)

**(212) 275-2000**  
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.001 par value per share	WMG	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.) Yes  No

As of February 6, 2023, there were 138,288,424 shares of Class A Common Stock and 377,650,449 shares of Class B Common Stock of the registrant outstanding.

**WARNER MUSIC GROUP CORP.**  
**QUARTERLY REPORT ON FORM 10-Q**  
**FOR THE THREE MONTHS ENDED DECEMBER 31, 2022**

**TABLE OF CONTENTS**

	<u>Page Number</u>
<b>Part I. Financial Information</b>	
Item 1. <a href="#">Financial Statements (Unaudited)</a>	1
<a href="#">Condensed Consolidated Balance Sheets as of December 31, 2022 and September 30, 2022</a>	1
<a href="#">Condensed Consolidated Statements of Operations for the Three Months Ended December 31, 2022 and December 31, 2021</a>	2
<a href="#">Condensed Consolidated Statements of Comprehensive Income for the Three Months Ended December 31, 2022 and December 31, 2021</a>	3
<a href="#">Condensed Consolidated Statements of Cash Flows for the Three Months Ended December 31, 2022 and December 31, 2021</a>	4
<a href="#">Condensed Consolidated Statements of Equity for the Three Months Ended December 31, 2022 and December 31, 2021</a>	5
<a href="#">Notes to Condensed Consolidated Financial Statements</a>	6
Item 2. <a href="#">Management’s Discussion and Analysis of Financial Condition and Results of Operations</a>	17
Item 3. <a href="#">Quantitative and Qualitative Disclosures About Market Risk</a>	37
Item 4. <a href="#">Controls and Procedures</a>	38
<b>Part II. Other Information</b>	
Item 1. <a href="#">Legal Proceedings</a>	39
Item 1.A. <a href="#">Risk Factors</a>	39
Item 2. <a href="#">Unregistered Sales of Equity Securities and Use of Proceeds</a>	39
Item 3. <a href="#">Defaults Upon Senior Securities</a>	39
Item 4. <a href="#">Mine Safety Disclosures</a>	39
Item 5. <a href="#">Other Information</a>	39
Item 6. <a href="#">Exhibits</a>	40
<a href="#">Signatures</a>	41

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**PART I. FINANCIAL INFORMATION**

**ITEM 1. FINANCIAL STATEMENTS**

**Warner Music Group Corp.**  
**Condensed Consolidated Balance Sheets**  
*(In millions, except share amounts which are reflected in thousands)*  
*(Unaudited)*

	December 31, 2022	September 30, 2022
<b>Assets</b>		
Current assets:		
Cash and equivalents	\$ 720	\$ 584
Accounts receivable, net of allowances of \$21 million and \$19 million	1,004	984
Inventories	102	108
Royalty advances expected to be recouped within one year	405	372
Prepaid and other current assets	109	91
Total current assets	2,340	2,139
Royalty advances expected to be recouped after one year	546	503
Property, plant and equipment, net of accumulated depreciation of \$489 million and \$461 million	430	415
Operating lease right-of-use assets, net	220	226
Goodwill	1,951	1,920
Intangible assets subject to amortization, net	2,266	2,239
Intangible assets not subject to amortization	149	145
Deferred tax assets, net	29	29
Other assets	198	212
Total assets	\$ 8,129	\$ 7,828
<b>Liabilities and Equity</b>		
Current liabilities:		
Accounts payable	\$ 220	\$ 268
Accrued royalties	2,091	1,918
Accrued liabilities	477	457
Accrued interest	29	17
Operating lease liabilities, current	39	40
Deferred revenue	327	423
Other current liabilities	158	245
Total current liabilities	3,341	3,368
Long-term debt	3,946	3,732
Operating lease liabilities, noncurrent	234	241
Deferred tax liabilities, net	223	220
Other noncurrent liabilities	103	99
Total liabilities	\$ 7,847	\$ 7,660
Equity:		
Class A common stock, \$0.001 par value; 1,000,000 shares authorized, 138,073 and 137,199 shares issued and outstanding as of December 31, 2022 and September 30, 2022, respectively	\$ —	\$ —
Class B common stock, \$0.001 par value; 1,000,000 shares authorized, 377,650 and 377,650 issued and outstanding as of December 31, 2022 and September 30, 2022, respectively	1	1
Additional paid-in capital	1,984	1,975
Accumulated deficit	(1,439)	(1,477)
Accumulated other comprehensive loss, net	(276)	(347)
Total Warner Music Group Corp. equity	270	152
Noncontrolling interest	12	16
Total equity	282	168
Total liabilities and equity	\$ 8,129	\$ 7,828

See accompanying notes

**Warner Music Group Corp.**  
**Condensed Consolidated Statements of Operations**  
*(In millions, except share amounts which are reflected in thousands, and per share data)*  
*(Unaudited)*

	Three Months Ended December 31,	
	2022	2021
Revenue	\$ 1,488	\$ 1,614
Costs and expenses:		
Cost of revenue	(761)	(818)
Selling, general and administrative expenses (a)	(440)	(497)
Amortization expense	(63)	(60)
Total costs and expenses	(1,264)	(1,375)
Net gain on divestiture	41	—
Operating income	265	239
Interest expense, net	(32)	(30)
Other (expense) income	(61)	54
Income before income taxes	172	263
Income tax expense	(48)	(75)
Net income	124	188
Less: Income attributable to noncontrolling interest	(2)	(1)
Net income attributable to Warner Music Group Corp.	<u>\$ 122</u>	<u>\$ 187</u>
Net income per share attributable to common stockholders:		
Class A – Basic and Diluted	<u>\$ 0.23</u>	<u>\$ 0.36</u>
Class B – Basic and Diluted	<u>\$ 0.23</u>	<u>\$ 0.36</u>
Weighted average common shares:		
Class A – Basic and Diluted	137,424	123,969
Class B – Basic and Diluted	377,650	390,952
(a) Includes depreciation expense:	<u>\$ (21)</u>	<u>\$ (21)</u>

See accompanying notes

**Warner Music Group Corp.**  
**Condensed Consolidated Statements of Comprehensive Income**  
*(In millions)*  
*(Unaudited)*

	Three Months Ended December 31,	
	2022	2021
Net income	\$ 124	\$ 188
Other comprehensive income (loss), net of tax:		
Foreign currency adjustment	72	(25)
Deferred (loss) gain on derivative financial instruments	(1)	7
Other comprehensive income (loss), net of tax	71	(18)
Total comprehensive income	195	170
Less: Income attributable to noncontrolling interest	(2)	(1)
Comprehensive income attributable to Warner Music Group Corp.	\$ 193	\$ 169

See accompanying notes

**Warner Music Group Corp.**  
**Condensed Consolidated Statements of Cash Flows**  
*(In millions)*  
*(Unaudited)*

	Three Months Ended December 31,	
	2022	2021
<b>Cash flows from operating activities</b>		
Net income	\$ 124	\$ 188
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	84	81
Unrealized (gains) losses and remeasurement of foreign-denominated loans and foreign currency forward exchange contracts	79	(36)
Deferred income taxes	(5)	19
Net loss (gain) on divestitures and investments	(41)	(11)
Non-cash interest expense	2	1
Non-cash stock-based compensation expense	14	24
Changes in operating assets and liabilities:		
Accounts receivable, net	7	(100)
Inventories	13	12
Royalty advances	(55)	(177)
Accounts payable and accrued liabilities	(61)	(2)
Royalty payables	117	107
Accrued interest	12	16
Operating lease liabilities	(2)	(2)
Deferred revenue	(104)	(50)
Other balance sheet changes	25	59
Net cash provided by operating activities	<u>209</u>	<u>129</u>
<b>Cash flows from investing activities</b>		
Acquisition of music publishing rights and music catalogs, net	(33)	(165)
Capital expenditures	(21)	(34)
Investments and acquisitions of businesses, net of cash received	(8)	(425)
Proceeds from the sale of investments	10	—
Proceeds from divestitures	42	—
Net cash used in investing activities	<u>(10)</u>	<u>(624)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of 3.750% Senior Secured Notes due 2029	—	535
Proceeds from incremental Senior Term Loan Facility	147	—
Deferred financing costs paid	(2)	(4)
Distribution to noncontrolling interest holders	(6)	(1)
Dividends paid	(84)	(78)
Payment of deferred and contingent consideration	(125)	(4)
Net cash (used in) provided by financing activities	<u>(70)</u>	<u>448</u>
Effect of exchange rate changes on cash and equivalents	7	(2)
Net increase (decrease) in cash and equivalents	136	(49)
Cash and equivalents at beginning of period	584	499
Cash and equivalents at end of period	<u>\$ 720</u>	<u>\$ 450</u>

See accompanying notes

**Warner Music Group Corp.**  
**Condensed Consolidated Statements of Equity**  
(In millions, except share amounts which are reflected in thousands, and per share data)  
(Unaudited)

**Three Months Ended December 31, 2022**

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Warner Music Group Corp. Equity	Non- controlling Interest	Total Equity
	Shares	Value	Shares	Value						
Balance at September 30, 2022	137,199	\$ —	377,650	\$ 1	\$ 1,975	\$ (1,477)	\$ (347)	\$ 152	\$ 16	\$ 168
Net income	—	—	—	—	—	122	—	122	2	124
Other comprehensive income, net of tax	—	—	—	—	—	—	71	71	—	71
Dividends (\$0.16 per Class A and B share)	—	—	—	—	—	(84)	—	(84)	—	(84)
Stock-based compensation expense	—	—	—	—	9	—	—	9	—	9
Distribution to noncontrolling interest holders	—	—	—	—	—	—	—	—	(6)	(6)
Shares issued under the Plan	869	—	—	—	—	—	—	—	—	—
Shares issued under Omnibus Incentive Plan	5	—	—	—	—	—	—	—	—	—
Balance at December 31, 2022	<u>138,073</u>	<u>\$ —</u>	<u>377,650</u>	<u>\$ 1</u>	<u>\$ 1,984</u>	<u>\$ (1,439)</u>	<u>\$ (276)</u>	<u>\$ 270</u>	<u>\$ 12</u>	<u>\$ 282</u>

**Three Months Ended December 31, 2021**

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Warner Music Group Corp. Equity	Non- controlling Interest	Total Equity
	Shares	Value	Shares	Value						
Balance at September 30, 2021	122,415	\$ —	391,971	\$ 1	\$ 1,942	\$ (1,710)	\$ (202)	\$ 31	\$ 15	\$ 46
Net income	—	—	—	—	—	187	—	187	1	188
Other comprehensive loss, net of tax	—	—	—	—	—	—	(18)	(18)	—	(18)
Dividends (\$0.15 per Class A and B share)	—	—	—	—	—	(78)	—	(78)	—	(78)
Stock-based compensation expense	—	—	—	—	31	—	—	31	—	31
Distribution to noncontrolling interest holders	—	—	—	—	—	—	—	—	(1)	(1)
Conversion of Class B shares for Class A shares	4,671	—	(4,671)	—	—	—	—	—	—	—
Shares issued under Omnibus Incentive Plan	151	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	4	4
Balance at December 31, 2021	<u>127,237</u>	<u>\$ —</u>	<u>387,300</u>	<u>\$ 1</u>	<u>\$ 1,973</u>	<u>\$ (1,601)</u>	<u>\$ (220)</u>	<u>\$ 153</u>	<u>\$ 19</u>	<u>\$ 172</u>

See accompanying notes

**Warner Music Group Corp.**  
**Notes to Condensed Consolidated Financial Statements (Unaudited)**

**1. Description of Business**

Warner Music Group Corp. (the “Company”) was formed on November 21, 2003. The Company is the direct parent of WMG Holdings Corp. (“Holdings”), which is the direct parent of WMG Acquisition Corp. (“Acquisition Corp.”). Acquisition Corp. is one of the world’s major music entertainment companies. We classify our business interests into two fundamental operations: Recorded Music and Music Publishing.

***Recorded Music Operations***

Our Recorded Music business primarily consists of the discovery and development of recording artists and the related marketing, promotion, distribution, sale and licensing of music created by such recording artists. We play an integral role in virtually all aspects of the recorded music value chain from discovering and developing talent to producing, distributing and selling music to marketing and promoting recording artists and their music.

***Music Publishing Operations***

While Recorded Music is focused on marketing, promoting, distributing and licensing a particular recording of a musical composition, Music Publishing is an intellectual property business focused on generating revenue from uses of the musical composition itself. In return for promoting, placing, marketing and administering the creative output of a songwriter, or engaging in those activities for other rightsholders, our Music Publishing business shares the revenues generated from use of the musical compositions with the songwriter or other rightsholders.

**2. Summary of Significant Accounting Policies**

**Interim Financial Statements**

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all the information and notes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended December 31, 2022 are not necessarily indicative of the results that may be expected for the fiscal year ending September 30, 2023.

The consolidated balance sheet at September 30, 2022 has been derived from the audited consolidated financial statements at that date but does not include all the information and notes required by U.S. GAAP for complete financial statements.

For further information, refer to the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2022 (File No. 001-32502).

**Change in Fiscal Year End**

On September 29, 2022, the Board of Directors approved a change, effective for the 2023 fiscal year, to the Company’s fiscal year from a modified 52-53-week calendar, in which reporting periods ended on the last Friday of the calendar quarter, to a reporting calendar in which the reporting periods end on the last day of the calendar quarter. Effective for the 2023 fiscal year, the Company’s fiscal year will begin on October 1 and end on September 30 of each year.

Prior to the start of the 2023 fiscal year, the Company maintained a 52-53 week fiscal year ending on the last Friday in each reporting period. The fiscal year ended September 30, 2022 included 53 weeks, with the additional week falling in the fiscal quarter ended December 31, 2021. Accordingly, the results of operations for the three months ended December 31, 2021 reflect 14 weeks, or 98 days, compared to 92 days for the three months ended December 31, 2022. For the three months ended December 31, 2021, the revenue benefit of the additional week was approximately \$73 million, primarily reflected in Recorded Music streaming revenue.

**Basis of Consolidation**

The accompanying financial statements present the consolidated accounts of all entities in which the Company has a controlling voting interest and/or variable interest required to be consolidated in accordance with U.S. GAAP. All intercompany balances and transactions have been eliminated.



Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 810, *Consolidation* (“ASC 810”) requires the Company first evaluate its investments to determine if any investments qualify as a variable interest entity (“VIE”). A VIE is consolidated if the Company is deemed to be the primary beneficiary of the VIE, which is the party involved with the VIE that has both (i) the power to control the most significant activities of the VIE and (ii) either the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. If an entity is not deemed to be a VIE, the Company consolidates the entity if the Company has a controlling voting interest.

The Company has performed a review of all subsequent events through the date the financial statements were issued and has determined that no additional disclosures are necessary.

### Income Taxes

The Company uses the estimated annual effective tax rate method in computing its interim tax provision. Certain items, including those deemed to be unusual and infrequent are excluded from the estimated annual effective tax rate. In such cases, the actual tax expense or benefit is reported in the same period as the related item. Certain tax effects are also not reflected in the estimated annual effective tax rate, primarily certain changes in the realizability of deferred tax assets and uncertain tax positions.

### New Accounting Pronouncements

#### Recently Adopted Accounting Pronouncements

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* (“ASU 2020-04”). The amendment provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships and other transactions affected by the discontinuation of the London Interbank Offered Rate (“LIBOR”) or by another reference rate expected to be discontinued because of reference rate reform, if certain criteria are met. In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*, which clarified that certain optional expedients and exceptions in Topic 848 apply to derivative instruments that are affected by the discounting transition due to reference rate reform. In December 2022, the FASB issued ASU 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date*, which extended the period in which Topic 848 may be applied until December 31, 2024. These ASUs were effective upon issuance and may be applied prospectively to contract modifications and hedging relationships entered into or evaluated through December 31, 2024. The discontinuation of LIBOR will impact the Senior Term Loan Facility and Revolving Credit Facility as well as a pay-fixed receive-variable interest rate swap which will be outstanding as of the effective date of the discontinuation. The Company is in the process of evaluating the effect that the adoption of these standards will have on its consolidated financial statements, but does not expect it will have a material effect.

### 3. Earnings per Share

The Company utilizes the two-class method to report earnings per share. Basic earnings per share is computed by dividing net income available to each class of stock by the weighted average number of outstanding common shares for each class of stock. Diluted earnings per share is computed by dividing net income available to each class of stock by the weighted average number of outstanding common shares, plus dilutive potential common shares, which is calculated using the treasury-stock method. The potentially dilutive common shares did not have a dilutive effect on the Company’s EPS calculation for the three months ended December 31, 2022 and 2021, respectively.

The following table sets forth the calculation of basic and diluted net income per common share under the two-class method for the three months ended December 31, 2022 and 2021 (in millions, except share amounts, which are reflected in thousands, and per share data):

	Three Months Ended December 31,			
	2022		2021	
	Class A	Class B	Class A	Class B
<b>Basic and Diluted EPS:</b>				
Numerator				
Net income attributable to Warner Music Group Corp.	\$ 34	\$ 88	\$ 47	\$ 140
Less: Net income attributable to participating securities	(2)	—	(2)	—
Net income attributable to common stockholders	\$ 32	\$ 88	\$ 45	\$ 140
Denominator				
Weighted average shares outstanding	137,424	377,650	123,969	390,952
Basic and Diluted EPS	\$ 0.23	\$ 0.23	\$ 0.36	\$ 0.36

#### 4. Revenue Recognition

##### Disaggregation of Revenue

The Company's revenue consists of the following categories, which aggregate into the segments – Recorded Music and Music Publishing:

	Three Months Ended December 31,	
	2022	2021
	(in millions)	
<b>Revenue by Type</b>		
Digital	\$ 803	\$ 870
Physical	133	195
Total Digital and Physical	936	1,065
Artist services and expanded-rights	206	232
Licensing	97	89
Total Recorded Music	1,239	1,386
Performance	45	38
Digital	149	133
Mechanical	14	14
Synchronization	39	42
Other	3	2
Total Music Publishing	250	229
Intersegment eliminations	(1)	(1)
Total Revenues	\$ 1,488	\$ 1,614
<b>Revenue by Geographical Location</b>		
U.S. Recorded Music	\$ 539	\$ 608
U.S. Music Publishing	133	115
Total U.S.	672	723
International Recorded Music	700	778
International Music Publishing	117	114
Total International	817	892
Intersegment eliminations	(1)	(1)
Total Revenues	\$ 1,488	\$ 1,614

##### Sales Returns and Uncollectible Accounts

Based on management's analysis of sales returns, refund liabilities of \$26 million and \$19 million were established at December 31, 2022 and September 30, 2022, respectively.

Based on management's analysis of estimated credit losses, reserves of \$21 million and \$19 million were established at December 31, 2022 and September 30, 2022, respectively.

##### Deferred Revenue

Deferred revenue increased by \$103 million during the three months ended December 31, 2022 related to cash received from customers for fixed fees and minimum guarantees in advance of performance, including amounts recognized in the period. Revenues of \$144 million were recognized during the three months ended December 31, 2022 related to the balance of deferred revenue at September 30, 2022. There were no other significant changes to deferred revenue during the reporting period.

##### Performance Obligations

For the three months ended December 31, 2022 and December 31, 2021, the Company recognized revenue of \$27 million and \$37 million, respectively, from performance obligations satisfied in previous periods.

Revenues expected to be recognized in the future related to performance obligations that are unsatisfied at December 31, 2022 are as follows:

	Rest of FY23	FY24	FY25	Thereafter	Total
	(in millions)				
Remaining performance obligations	\$ 547	\$ 367	\$ 5	\$ 1	\$ 920
Total	\$ 547	\$ 367	\$ 5	\$ 1	\$ 920

## 5. Acquisition of 300 Entertainment

On December 16, 2021, the Company purchased all outstanding shares of Theory Entertainment LLC d/b/a 300 Entertainment (“300 Entertainment”), an independent U.S. record label. The final consideration paid was determined to be \$394 million, which reflects the base purchase price of \$400 million, adjusted for, among other items, working capital. At December 31, 2022, the Company updated and finalized the purchase price allocation recorded at September 30, 2022, which resulted in a decrease to intangible assets of approximately \$1 million and a net decrease to other acquired assets and liabilities of approximately \$2 million, with a corresponding net increase to goodwill of approximately \$3 million.

See Note 5, “Acquisition of 300 Entertainment,” to the consolidated financial statements included in the Company’s Annual Report on Form 10-K for the fiscal year ended September 30, 2022 for the preliminary purchase price allocation, valuation methodology, and other information related to the 300 Entertainment acquisition.

## 6. Comprehensive Income

Comprehensive income, which is reported in the accompanying condensed consolidated statements of equity, consists of net income and other gains and losses affecting equity that, under U.S. GAAP, are excluded from net income. For the Company, the components of other comprehensive income primarily consist of foreign currency translation gains and losses, minimum pension liabilities, and deferred gains and losses on financial instruments designated as hedges under ASC 815, *Derivatives and Hedging*. The following summary sets forth the changes in the components of accumulated other comprehensive loss, net of related tax benefit of less than \$1 million:

	Foreign Currency Translation Loss (a)	Minimum Pension Liability Adjustment	Deferred Gains (Losses) On Derivative Financial Instruments	Accumulated Other Comprehensive Loss, net
	(in millions)			
Balances at September 30, 2022	\$ (358)	\$ (2)	\$ 13	\$ (347)
Other comprehensive income (loss)	72	—	(1)	71
Balances at December 31, 2022	\$ (286)	\$ (2)	\$ 12	\$ (276)

(a) Includes historical foreign currency translation related to certain intra-entity transactions.

## 7. Goodwill and Intangible Assets

### Goodwill

The following analysis details the changes in goodwill for each reportable segment:

	Recorded Music	Music Publishing	Total
	(in millions)		
Balances at September 30, 2022	\$ 1,456	\$ 464	\$ 1,920
Acquisitions	3	—	3
Other adjustments (a)	28	—	28
Balances at December 31, 2022	\$ 1,487	\$ 464	\$ 1,951

(a) Other adjustments during the three months ended December 31, 2022 represent foreign currency movements.

The Company performs its annual goodwill impairment test in accordance with ASC 350, *Intangibles—Goodwill and Other* (“ASC 350”) during the fourth quarter of each fiscal year as of July 1. The Company may conduct an earlier review if events or circumstances occur that would suggest the carrying value of the Company’s goodwill may not be recoverable. No indicators of

impairment were identified during the current period that required the Company to perform an interim assessment or recoverability test.

## Intangible Assets

Intangible assets consist of the following:

	Weighted-Average Useful Life	December 31, 2022	September 30, 2022
(in millions)			
Intangible assets subject to amortization:			
Recorded music catalog	12 years	\$ 1,379	\$ 1,316
Music publishing copyrights	25 years	1,958	1,889
Artist and songwriter contracts	13 years	1,046	1,014
Trademarks	14 years	106	103
Other intangible assets	6 years	92	89
Total gross intangible assets subject to amortization		4,581	4,411
Accumulated amortization		(2,315)	(2,172)
Total net intangible assets subject to amortization		2,266	2,239
Intangible assets not subject to amortization:			
Trademarks and tradenames	Indefinite	149	145
Total net intangible assets		\$ 2,415	\$ 2,384

## 8. Debt

### Debt Capitalization

Long-term debt, all of which was issued by Acquisition Corp., consists of the following:

	December 31, 2022	September 30, 2022
(in millions)		
Revolving Credit Facility (a)	\$ —	\$ —
Senior Term Loan Facility due 2028	1,295	1,145
2.750% Senior Secured Notes due 2028 (€325 face amount)	346	318
3.750% Senior Secured Notes due 2029	540	540
3.875% Senior Secured Notes due 2030	535	535
2.250% Senior Secured Notes due 2031 (€445 face amount)	474	435
3.000% Senior Secured Notes due 2031	800	800
Total long-term debt, including the current portion	\$ 3,990	\$ 3,773
Issuance premium less unamortized discount and unamortized deferred financing costs	(44)	(41)
Total long-term debt, including the current portion, net	\$ 3,946	\$ 3,732

(a) Reflects \$300 million of commitments under the Revolving Credit Facility, less letters of credit outstanding of approximately \$4 million at both December 31, 2022 and September 30, 2022. There were no loans outstanding under the Revolving Credit Facility at December 31, 2022 or September 30, 2022.

The Company is the direct parent of Holdings, which is the direct parent of Acquisition Corp. As of December 31, 2022 Acquisition Corp. had issued and outstanding the 2.750% Senior Secured Notes due 2028, the 3.750% Senior Secured Notes due 2029, the 3.875% Senior Secured Notes due 2030, the 2.250% Senior Secured Notes due 2031 and the 3.000% Senior Secured Notes due 2031 (together, the "Acquisition Corp. Notes").

All of the Acquisition Corp. Notes are guaranteed by all of Acquisition Corp.'s domestic wholly-owned subsidiaries. The guarantee of the Acquisition Corp. Notes by Acquisition Corp.'s domestic wholly-owned subsidiaries is full, unconditional and joint and several. The secured notes are guaranteed on a senior secured basis.

The Company and Holdings are holding companies that conduct substantially all of their business operations through Acquisition Corp. Accordingly, while Acquisition Corp. and its subsidiaries are not currently restricted from distributing funds to the Company and Holdings under the indentures for the Acquisition Corp. Notes or the credit agreements for the Acquisition Corp. Senior Credit Facilities, including the Revolving Credit Facility and the Senior Term Loan Facility, should Acquisition Corp.'s Total Indebtedness to EBITDA Ratio increase above 3.50:1.00 and the term loans not achieve an investment grade rating, the covenants under the Revolving Credit Facility, which are currently suspended, will be reinstated and the ability of the Company and Holdings to obtain funds from their subsidiaries will be restricted by the Revolving Credit Facility. The Company was in compliance with its covenants under its outstanding notes, the Revolving Credit Facility and the Senior Term Loan Facility as of December 31, 2022.

## **Fiscal 2023 Transactions**

### ***Senior Term Loan Facility Amendment***

On November 1, 2022, Acquisition Corp. entered into a Seventh Incremental Commitment Amendment (the "Seventh Incremental Commitment Amendment"), with Credit Suisse AG, New York Branch, as Tranche H term lender, and Credit Suisse AG, as administrative agent, and acknowledged by the guarantors party thereto and WMG Holdings Corp., to the Senior Term Loan Credit Agreement, pursuant to which Acquisition Corp. borrowed additional term loans in the amount of \$150 million for an aggregate principal amount outstanding under the Senior Term Loan Credit Agreement of \$1,295 million. The Seventh Incremental Commitment Amendment was entered into to fund certain deferred payment obligations owing in respect of certain prior acquisitions, to pay fees and expenses relating thereto and for general corporate purposes.

### **Interest Rates**

The loans under the Revolving Credit Facility bear interest at Acquisition Corp.'s election at a rate equal to (i) the rate for deposits in the borrowing currency in the London interbank market (adjusted for maximum reserves) for the applicable interest period ("Revolving LIBOR") subject to a zero floor, plus 1.75% per annum in the case of Initial Revolving Loans (as defined in the Revolving Credit Agreement), or 1.875% per annum in the case of 2020 Revolving Loans (as defined in the Revolving Credit Agreement), or (ii) the base rate, which is the highest of (x) the corporate base rate established by the administrative agent from time to time, (y) 0.50% in excess of the overnight federal funds rate and (z) the one-month Revolving LIBOR plus 1.0% per annum, plus, in each case, 0.75% per annum in the case of Initial Revolving Loans, or 0.875% per annum in the case of 2020 Revolving Loans; *provided that*, in respect of 2020 Revolving Loans, the applicable margin with respect to such loans is subject to adjustment as set forth in the pricing grid in the Revolving Credit Agreement. Based on the Senior Secured Indebtedness to EBITDA Ratio of 3.18x at December 31, 2022, the applicable margin for Eurodollar loans would be 1.625% instead of 1.875% and the applicable margin for ABR loans would be 0.625% instead of 0.875% in the case of 2020 Revolving Loans. If there is a payment default at any time, then the interest rate applicable to overdue principal will be the rate otherwise applicable to such loan plus 2.0% per annum. Default interest will also be payable on other overdue amounts at a rate of 2.0% per annum above the amount that would apply to an alternative base rate loan.

The Tranche G loans under the Senior Term Loan Facility bear interest at Acquisition Corp.'s election at a rate equal to (i) the rate for deposits in U.S. dollars in the London interbank market (adjusted for maximum reserves) for the applicable interest period ("Term Loan LIBOR") subject to a zero floor, plus 2.125% per annum or (ii) the base rate, which is the highest of (x) the corporate base rate established by the administrative agent as its prime rate in effect at its principal office in New York City from time to time, (y) 0.50% in excess of the overnight federal funds rate and (z) one-month Term Loan LIBOR, plus 1.00% per annum, subject to a 1.00% floor, plus, in each case, 1.125% per annum. If there is a payment default at any time, then the interest rate applicable to overdue principal and interest will be the rate otherwise applicable to such loan plus 2.0% per annum. Default interest will also be payable on other overdue amounts at a rate of 2.0% per annum above the amount that would apply to an alternative base rate loan.

The Tranche H loans under the Senior Term Loan Facility bear interest at Acquisition Corp.'s election at a rate equal to (i) the forward-looking term rate based on the secured overnight financing rate as administered by the Federal Reserve Bank of New York for the applicable interest period ("Term SOFR") subject to a 0.50% floor, plus 3.00% per annum or (ii) the base rate, which is the highest of (x) the corporate base rate established by the administrative agent as its prime rate in effect at its principal office in New York City from time to time, (y) 0.50% in excess of the overnight federal funds rate and (z) one-month Term SOFR, plus 1.00% per annum, subject to a 1.50% floor, plus, in each case, 2.00% per annum. If there is a payment default at any time, then the interest rate applicable to overdue principal and interest will be the rate otherwise applicable to such loan plus 2.0% per annum. Default interest will also be payable on other overdue amounts at a rate of 2.0% per annum above the amount that would apply to an alternative base rate loan.

The Company has entered into, and in the future may enter into, interest rate swaps to manage interest rate risk. Please refer to Note 12 of our condensed consolidated financial statements for further discussion.

### **Maturity of Senior Term Loan Facility**

The loans outstanding under the Senior Term Loan Facility mature on January 20, 2028.

### **Maturity of Revolving Credit Facility**

The maturity date of the Revolving Credit Facility is April 3, 2025.

### **Maturities of Senior Secured Notes**

As of December 31, 2022, there are no scheduled maturities of notes until 2028, when \$346 million is scheduled to mature. Thereafter, \$2.349 billion is scheduled to mature.

### **Interest Expense, net**

Total interest expense, net was \$32 million and \$30 million for the three months ended December 31, 2022 and 2021, respectively. The weighted-average interest rate of the Company's total debt was 3.7% at December 31, 2022, 3.5% at September 30, 2022 and 3.2% at December 31, 2021.

## **9. Commitments and Contingencies**

From time to time the Company is involved in claims and legal proceedings that arise in the ordinary course of business. The Company is currently subject to several such claims and legal proceedings. Based on currently available information, the Company does not believe that resolution of pending matters will have a material adverse effect on its financial condition, cash flows or results of operations. However, litigation is subject to inherent uncertainties, and there can be no assurances that the Company's defenses will be successful or that any such lawsuit or claim would not have a material adverse impact on the Company's business, financial condition, cash flows and results of operations in a particular period. Any claims or proceedings against the Company, whether meritorious or not, can have an adverse impact because of defense costs, diversion of management and operational resources, negative publicity and other factors.

## **10. Equity**

### **Stock-Based Compensation**

The Company's stock-based compensation plans are described in Note 13, "Stock-Based Compensation Plans," to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2022. Stock-based compensation consists primarily of restricted stock units ("RSUs") granted to eligible employees and executives under the Omnibus Incentive Plan.

During the three months ended December 31, 2022, the Company approved the issuance of RSUs under the Omnibus Incentive Plan to eligible employees and executives. For accounting purposes, vesting of such RSUs commenced during the period. Non-cash stock-based compensation associated with these RSUs was \$8 million which has been classified as a share-based compensation liability as of December 31, 2022 as further described below.

The Company recognized a total of \$14 million of non-cash stock-based compensation expense for the three months ended December 31, 2022, of which \$4 million was recorded to additional paid-in capital, and a remaining \$10 million has been classified as a share-based compensation liability as of December 31, 2022. The share-based compensation liability represents awards under the Omnibus Incentive Plan where a total value is known and settlement will occur in a variable number of shares of Class A Common Stock and RSUs. During the three months ended December 31, 2022, \$5 million was reclassified from share-based compensation liability to additional paid-in capital, representing the grant date fair value of RSUs granted which were previously classified as a share-based compensation liability as of September 30, 2022. The Company recognized approximately \$24 million of non-cash stock-based compensation expense for the three months ended December 31, 2021.

### **Common Stock**

During the three months ended December 31, 2022, in connection with the Senior Management Free Cash Flow Plan (the "Plan"), the Company issued a total of approximately 869,000 shares of Class A Common Stock to settle a portion of a participant's deferred equity units previously issued under the Plan.

During the three months ended December 31, 2022, the Company satisfied the vesting of RSUs issued to employees by issuing approximately 5,000 shares of Class A Common Stock under the Omnibus Incentive Plan, which is net of shares used to settle employee income tax obligations.

## **11. Income Taxes**

For the three months ended December 31, 2022, the Company recorded an income tax expense of \$48 million. The income tax expense for the three months ended December 31, 2022 is higher than the expected tax expense at the statutory rate of 21% primarily due to U.S. state and local taxes, withholding taxes, foreign income taxed at rates higher than the U.S., and non-deductible executive compensation under IRC Section 162(m), offset by a deduction against foreign derived intangible income ("FDII").

For the three months ended December 31, 2021, the Company recorded an income tax expense of \$75 million. The income tax expense for the three months ended December 31, 2021 is higher than the expected tax benefit at the statutory tax rate of 21% primarily due to U.S. state and local taxes, withholding taxes, foreign income taxed at rates higher than the U.S., and non-deductible executive compensation under IRC Section 162(m), offset by a deduction against foreign derived intangible income ("FDII").

The Company has determined that it is reasonably possible that the gross unrecognized tax benefits as of December 31, 2022 could decrease by up to approximately \$1 million related to various ongoing audits and settlement discussions in various foreign jurisdictions during the next twelve months.

## **12. Derivative Financial Instruments**

The Company uses derivative financial instruments, primarily foreign currency forward exchange contracts and interest rate swaps, for the purposes of managing foreign currency exchange rate risk and interest rate risk on expected future cash flows.

The Company's hedged interest rate transactions as of December 31, 2022 are expected to be recognized within one year. The fair value of interest rate swaps is based on dealer quotes of market rates (i.e., Level 2 inputs) which is discussed further in Note 19, "Fair Value Measurements," to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2022. Interest income or expense related to interest rate swaps is recognized in interest income (expense), net in the same period as the related expense is recognized. The ineffective portions of interest rate swaps are recognized in other income (expense) in the period measured.

As of December 31, 2022, the Company had outstanding foreign currency forward exchange contracts for the sale of \$337 million and the purchase of \$197 million of foreign currencies at fixed rates that will be settled by September 2023.

As of December 31, 2022, the Company had outstanding \$820 million in pay-fixed receive-variable interest rate swaps with \$12 million of unrealized deferred gains in comprehensive income related to the interest rate swaps. As of September 30, 2022, the Company had outstanding \$820 million in pay-fixed receive-variable interest rate swaps with \$13 million of unrealized deferred gains in comprehensive income related to the interest rate swaps.

The Company recorded realized pre-tax losses of \$1 million and unrealized pre-tax losses of \$7 million related to its foreign currency forward exchange contracts in the condensed consolidated statement of operations as other expense for the three months ended December 31, 2022. The Company recorded realized pre-tax gains of \$1 million and unrealized pre-tax gains of \$2 million related to its foreign currency forward exchange contracts in the condensed consolidated statement of operations as other income for the three months ended December 31, 2021.

The unrealized pre-tax losses of the Company's derivative interest rate swaps designated as cash flow hedges recorded in other comprehensive income during the three months ended December 31, 2022 were \$2 million. The unrealized pre-tax gains of the Company's derivative interest rate swaps designated as cash flow hedges recorded in other comprehensive income during the three months ended December 31, 2021 were \$9 million.

The following is a summary of amounts recorded in the consolidated balance sheets pertaining to the Company's derivative instruments at December 31, 2022 and September 30, 2022:

	December 31, 2022 (a)	September 30, 2022 (b)
	(in millions)	
Other current assets	\$ 17	\$ 2
Other current liabilities	(8)	—
Other noncurrent assets	—	16
Other noncurrent liabilities	—	—

- (a) Includes \$13 million and \$20 million of foreign exchange derivative contracts which net to \$1 million of current assets and \$8 million of current liabilities, respectively, and \$16 million of interest rate swaps in current asset positions.
- (b) Includes \$2 million and \$16 million of interest rate swaps in current and noncurrent asset positions, respectively.

### 13. Segment Information

Based on the nature of its products and services, the Company classifies its business interests into two fundamental operations: Recorded Music and Music Publishing, which also represent the reportable segments of the Company. Information as to each of these operations is set forth below. The Company evaluates performance based on several factors, of which the primary financial measure is operating income (loss) before non-cash depreciation of tangible assets and non-cash amortization of intangible assets ("OIBDA"). The Company has supplemented its analysis of OIBDA results by segment with an analysis of operating income (loss) by segment.

The accounting policies of the Company's business segments are the same as those described in Note 2, "Summary of Significant Accounting Policies," to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2022. The Company accounts for intersegment sales at fair value as if the sales were to third parties. While intercompany transactions are treated like third-party transactions to determine segment performance, the revenues (and corresponding expenses recognized by the segment that is counterparty to the transaction) are eliminated in consolidation, and therefore, do not themselves impact consolidated results.

Three Months Ended	Recorded Music	Music Publishing	Corporate expenses and eliminations	Total
	(in millions)			
<b>December 31, 2022</b>				
Revenues	\$ 1,239	\$ 250	\$ (1)	\$ 1,488
Operating income (loss)	283	49	(67)	265
Amortization of intangible assets	41	22	—	63
Depreciation of property, plant and equipment	13	1	7	21
OIBDA	337	72	(60)	349
<b>December 31, 2021</b>				
Revenues	\$ 1,386	\$ 229	\$ (1)	\$ 1,614
Operating income (loss)	276	32	(69)	239
Amortization of intangible assets	40	20	—	60
Depreciation of property, plant and equipment	14	2	5	21
OIBDA	330	54	(64)	320

### 14. Additional Financial Information

#### Cash Interest and Taxes

The Company made interest payments of approximately \$25 million and \$13 million during the three months ended December 31, 2022 and 2021, respectively. The Company paid approximately \$45 million and \$29 million of income and withholding taxes, net of refunds, for the three months ended December 31, 2022 and 2021, respectively.



## Gain on Divestiture

During the three months ended December 31, 2022, the Company sold its interest in certain sound recording rights and recorded a pre-tax gain of \$41 million which was recorded as a net gain on divestiture in the accompanying condensed consolidated statement of operations.

## Dividends

The Company's ability to pay dividends may be restricted by covenants in the credit agreement for the Revolving Credit Facility which are currently suspended but which will be reinstated if Acquisition Corp.'s Total Indebtedness to EBITDA Ratio increases above 3.50:1.00 and the term loans do not achieve an investment grade rating.

The Company intends to pay quarterly cash dividends to holders of its Class A Common Stock and Class B Common Stock. The declaration of each dividend will continue to be at the discretion of the Company's board of directors and will depend on the Company's financial condition, earnings, liquidity and capital requirements, level of indebtedness, contractual restrictions with respect to payment of dividends, restrictions imposed by Delaware law, general business conditions and any other factors that the Company's board of directors deems relevant in making such a determination. Therefore, there can be no assurance that the Company will pay any dividends to holders of the Company's common stock, or as to the amount of any such dividends.

On November 10, 2022, the Company's board of directors declared a cash dividend of \$0.16 per share on the Company's Class A Common Stock and Class B Common Stock, as well as related payments under certain stock-based compensation plans, which was paid to stockholders on December 1, 2022. The Company paid an aggregate of approximately \$84 million, or \$0.16 per share, in cash dividends to stockholders and participating security holders for the three months ended December 31, 2022.

## Noncash Investment Activity

Noncash investing activities was approximately \$125 million related to the acquisition of music publishing rights and music catalogs, net during the three months ended December 31, 2021.

## 15. Fair Value Measurements

The following tables show the fair value of the Company's financial instruments that are required to be measured at fair value as of December 31, 2022 and September 30, 2022.

	Fair Value Measurements as of December 31, 2022			Total
	(Level 1)	(Level 2)	(Level 3)	
	(in millions)			
<i>Other Current Assets:</i>				
Foreign Currency Forward Exchange Contracts (a)	\$ —	\$ 1	\$ —	\$ 1
Interest Rate Swaps (d)	—	16	—	16
<i>Other Current Liabilities:</i>				
Foreign Currency Forward Exchange Contracts (a)	—	(8)	—	(8)
<i>Other Noncurrent Assets:</i>				
Equity Investments with Readily Determinable Fair Value (c)	25	—	—	25
<i>Other Noncurrent Liabilities:</i>				
Contractual Obligations (b)	—	—	(1)	(1)

	Fair Value Measurements as of September 30, 2022			
	(Level 1)	(Level 2)	(Level 3)	Total
	(in millions)			
<i>Other Current Assets:</i>				
Interest Rate Swap (d)	\$ —	\$ 2	\$ —	\$ 2
<i>Other Noncurrent Assets:</i>				
Interest Rate Swap (d)	—	16	—	16
Equity Investment with Readily Determinable Fair Value (c)	36	—	—	36
<i>Other Noncurrent Liabilities:</i>				
Contractual Obligations (b)	—	—	(1)	(1)

- (a) The fair value of foreign currency forward exchange contracts is based on dealer quotes of market forward rates and reflects the amount that the Company would receive or pay at their maturity dates for contracts involving the same currencies and maturity dates.
- (b) This represents contingent consideration related to acquisitions. This is based on a probability weighted performance approach and it is adjusted to fair value on a recurring basis and any adjustments are typically included as a component of operating income in the condensed consolidated statements of operations. This amount was mainly calculated using unobservable inputs such as future earnings performance of the acquiree and the expected timing of payments.
- (c) These represent equity investments with a readily determinable fair value. The Company has measured its investments to fair value in accordance with ASC 321, *Investments—Equity Securities*, based on quoted prices in active markets.
- (d) The fair value of the interest rate swaps is based on dealer quotes of market forward rates and reflects the amount that the Company would receive or pay as of December 31, 2022 for contracts involving the same attributes and maturity dates.

The following table reconciles the beginning and ending balances of net liabilities classified as Level 3:

	Total
	(in millions)
Balance at September 30, 2022	\$ (1)
Additions	—
Reductions	—
Payments	—
Balance at December 31, 2022	\$ (1)

The majority of the Company's non-financial instruments, which include goodwill, intangible assets, inventories and property, plant and equipment, are not required to be re-measured to fair value on a recurring basis. These assets are evaluated for impairment if certain triggering events occur. If such evaluation indicates that impairment exists, the asset is written down to its fair value. In addition, an impairment analysis is performed at least annually for goodwill and indefinite-lived intangible assets.

#### Equity Investments Without Readily Determinable Fair Value

The Company evaluates its equity investments without readily determinable fair values for impairment if factors indicate that a significant decrease in value has occurred. The Company has elected to use the measurement alternative to fair value that will allow these investments to be recorded at cost, less impairment, and adjusted for subsequent observable price changes. The Company did not record any impairment charges on these investments during the three months ended December 31, 2022 and 2021. In addition, there were no observable price changes events that were completed during the three months ended December 31, 2022 and 2021.

#### Fair Value of Debt

Based on the level of interest rates prevailing at December 31, 2022, the fair value of the Company's debt was \$3.542 billion. Based on the level of interest rates prevailing at September 30, 2022, the fair value of the Company's debt was \$3.181 billion. The fair value of the Company's debt instruments is determined using quoted market prices from less active markets or by using quoted market prices for instruments with identical terms and maturities; both approaches are considered a Level 2 measurement.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our results of operations and financial condition with the unaudited interim financial statements included elsewhere in this Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2022 (the "Quarterly Report").

### "SAFE HARBOR" STATEMENT UNDER PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This Quarterly Report includes forward-looking statements and cautionary statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Some of the forward-looking statements can be identified by the use of forward-looking terms such as "believes," "expects," "may," "will," "shall," "should," "would," "could," "seeks," "aims," "projects," "is optimistic," "intends," "plans," "estimates," "anticipates" or other comparable terms or the negative thereof. Forward-looking statements include, without limitation, all matters that are not historical facts. They appear in a number of places throughout this Quarterly Report and include, without limitation, our ability to compete in the highly competitive markets in which we operate, statements regarding our ability to develop talent and attract future talent, our ability to reduce future capital expenditures, our ability to monetize our music, including through new distribution channels and formats to capitalize on the growth areas of the music entertainment industry, our ability to effectively deploy our capital, the development of digital music and the effect of digital distribution channels on our business, including whether we will be able to achieve higher margins from digital sales, the success of strategic actions we are taking to accelerate our transformation as we redefine our role in the music entertainment industry, the effectiveness of our ongoing efforts to reduce overhead expenditures and manage our variable and fixed cost structure and our ability to generate expected cost savings from such efforts, our success in limiting piracy, the growth of the music entertainment industry and the effect of our and the industry's efforts to combat piracy on the industry, our intention and ability to pay dividends or repurchase or retire our outstanding debt or notes in open market purchases, privately or otherwise, the impact on us of potential strategic transactions, our ability to fund our future capital needs and the effect of litigation on us.

Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. We caution you that forward-looking statements are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of the market in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this Quarterly Report. In addition, even if our results of operations, financial condition and cash flows, and the development of the market in which we operate, are consistent with the forward-looking statements contained in this Quarterly Report, those results or developments may not be indicative of results or developments in subsequent periods. New factors emerge from time to time that may cause our business not to develop as we expect, and it is not possible for us to accurately predict all of them. Factors that could cause actual results and outcomes to differ from those reflected in forward-looking statements include, without limitation:

- our inability to compete successfully in the highly competitive markets in which we operate;
- our ability to identify, sign and retain recording artists and songwriters and the existence or absence of superstar releases;
- slower growth in streaming adoption and revenue;
- our dependence on a limited number of digital music services for the online distribution and marketing of our music and their ability to significantly influence the pricing structure for online music stores;
- the ability to further develop a successful business model applicable to a digital environment and to enter into artist services and expanded-rights deals with recording artists in order to broaden our revenue streams in growing segments of the music entertainment business;
- the popular demand for particular recording artists and/or songwriters and music and the timely delivery to us of music by major recording artists and/or songwriters;
- risks related to the effects of natural or man-made disasters, including pandemics such as COVID-19;
- the diversity and quality of our recording artists, songwriters and releases;
- trends, developments or other events in some foreign countries in which we operate;
- risks associated with our non-U.S. operations, including limited legal protections of our intellectual property rights and restrictions on the repatriation of capital;
- unfavorable currency exchange rate fluctuations;

- the impact of heightened and intensive competition in the recorded music and music publishing industries and our inability to execute our business strategy;
- significant fluctuations in our operations, cash flows and the trading price of our common stock from period to period;
- our failure to attract and retain our executive officers and other key personnel;
- a significant portion of our revenues are subject to rate regulation either by government entities or by local third-party collecting societies throughout the world and rates on other income streams may be set by governmental proceedings, which may limit our profitability;
- risks associated with obtaining, maintaining, protecting and enforcing our intellectual property rights;
- our involvement in intellectual property litigation;
- threats to our business associated with digital piracy, including organized industrial piracy;
- an impairment in the carrying value of goodwill or other intangible and long-lived assets;
- the impact of, and risks inherent in, acquisitions or other business combinations;
- risks inherent to our outsourcing certain finance and accounting functions;
- the fact that we have engaged in substantial restructuring activities in the past, and may need to implement further restructurings in the future and our restructuring efforts may not be successful or generate expected cost savings;
- our ability to maintain the security of information relating to our customers, employees and vendors and our music;
- risks related to evolving laws and regulations concerning data privacy which might result in increased regulation and different industry standards;
- legislation limiting the terms by which an individual can be bound under a “personal services” contract;
- new legislation that affects the terms of our contracts with recording artists and songwriters;
- a potential loss of catalog if it is determined that recording artists have a right to recapture U.S. rights in their recordings under the U.S. Copyright Act;
- any delays and difficulties in satisfying obligations incident to being a public company;
- the impact of our substantial leverage on our ability to raise additional capital to fund our operations, on our ability to react to changes in the economy or our industry and on our ability to meet our obligations under our indebtedness;
- the ability to generate sufficient cash to service all of our indebtedness, and the risk that we may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful;
- the fact that our debt agreements contain restrictions that may limit our flexibility in operating our business;
- the significant amount of cash required to service our indebtedness and the ability to generate cash or refinance indebtedness as it becomes due depends on many factors, some of which are beyond our control;
- our indebtedness levels, and the fact that we may be able to incur substantially more indebtedness, which may increase the risks created by our substantial indebtedness;
- risks of downgrade, suspension or withdrawal of the rating assigned by a rating agency to us could impact our cost of capital;
- the dual class structure of our common stock and Access’s existing ownership of our Class B Common Stock have the effect of concentrating control over our management and affairs and over matters requiring stockholder approval with Access; and
- risks related to other factors discussed under “Risk Factors” of this Quarterly Report and in our Annual Report on Form 10-K for the fiscal year ended September 30, 2022.

You should read this Quarterly Report completely and with the understanding that actual future results may be materially different from expectations. All forward-looking statements made in this Quarterly Report are qualified by these cautionary statements. Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation, other than as may be required by law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, and changes in future operating results over time or otherwise. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

Other risks, uncertainties and factors, including those discussed in the “Risk Factors” of our Quarterly Reports and our Annual Report on Form 10-K, could cause our actual results to differ materially from those projected in any forward-looking statements we make. You should read carefully the factors described in the “Risk Factors” section of our Quarterly Reports and our Annual Report on Form 10-K to better understand the risks and uncertainties inherent in our business and underlying any forward-looking statements.

## INTRODUCTION

Warner Music Group Corp. (the “Company”) was formed on November 21, 2003. The Company is the direct parent of WMG Holdings Corp. (“Holdings”), which is the direct parent of WMG Acquisition Corp. (“Acquisition Corp.”). Acquisition Corp. is one of the world’s major music entertainment companies.

The Company and Holdings are holding companies that conduct substantially all of their business operations through their subsidiaries. The terms “we,” “us,” “our,” “ours” and the “Company” refer collectively to Warner Music Group Corp. and its consolidated subsidiaries, except where otherwise indicated.

Management’s discussion and analysis of financial condition and results of operations (“MD&A”) is provided as a supplement to the unaudited financial statements and related notes thereto included elsewhere herein to help provide an understanding of our financial condition, changes in financial condition and results of our operations. MD&A is organized as follows:

- *Business overview.* This section provides a general description of our business, as well as a discussion of factors that we believe are important in understanding our results of operations and comparability and in anticipating future trends.
- *Results of operations.* This section provides an analysis of our results of operations for the three months ended December 31, 2022 and December 31, 2021. This analysis is presented on both a consolidated and segment basis.
- *Financial condition and liquidity.* This section provides an analysis of our cash flows for the three months ended December 31, 2022 and December 31, 2021, as well as a discussion of our financial condition and liquidity as of December 31, 2022. The discussion of our financial condition and liquidity includes recent debt financings and a summary of the key debt covenant compliance measures under our debt agreements.

## Use of OIBDA

We evaluate our operating performance based on several factors, including our primary financial measure of operating income (loss) before non-cash depreciation of tangible assets and non-cash amortization of intangible assets (“OIBDA”). We consider OIBDA to be an important indicator of the operational strengths and performance of our businesses. However, a limitation of the use of OIBDA as a performance measure is that it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenues in our businesses. Accordingly, OIBDA should be considered in addition to, not as a substitute for, operating income (loss), net income (loss) attributable to Warner Music Group Corp. and other measures of financial performance reported in accordance with United States generally accepted accounting principles (“U.S. GAAP”). In addition, our definition of OIBDA may differ from similarly titled measures used by other companies. A reconciliation of consolidated OIBDA to operating income (loss) and net income (loss) attributable to Warner Music Group Corp. is provided in our “Results of Operations.”

## Use of Constant Currency

As exchange rates are an important factor in understanding period to period comparisons, we believe the presentation of revenue and OIBDA on a constant-currency basis in addition to reported results helps improve the ability to understand our operating results and evaluate our performance in comparison to prior periods. Constant-currency information compares revenue and OIBDA between periods as if exchange rates had remained constant period over period. We use revenue on a constant-currency basis as one measure to evaluate our performance. We calculate constant currency by calculating prior-year revenue using current-year foreign currency exchange rates. We generally refer to such amounts calculated on a constant-currency basis as “excluding the impact of foreign currency exchange rates.” This revenue should be considered in addition to, not as a substitute for, revenue reported in accordance with U.S. GAAP. Revenue on a constant-currency basis, as we present it, may not be comparable to similarly titled measures used by other companies and are not a measure of performance presented in accordance with U.S. GAAP.

## BUSINESS OVERVIEW

We are one of the world’s leading music entertainment companies. Our renowned family of iconic record labels, including Atlantic Records, Warner Records, Elektra Records and Parlophone Records, is home to many of the world’s most popular and influential recording artists. In addition, Warner Chappell Music, our global music publishing business, boasts an extraordinary

catalog that includes timeless standards and contemporary hits, representing works by over 100,000 songwriters and composers, with a global collection of more than one million musical compositions. We classify our business interests into two fundamental operations: Recorded Music and Music Publishing. A brief description of each of those operations is presented below.

## **Components of Our Operating Results**

### ***Recorded Music Operations***

Our Recorded Music business primarily consists of the discovery and development of recording artists and the related marketing, promotion, distribution, sale and licensing of music created by such recording artists. We play an integral role in virtually all aspects of the recorded music value chain from discovering and developing talent to producing, distributing and selling music to marketing and promoting recording artists and their music.

In the United States, our Recorded Music business is conducted principally through our major record labels—Atlantic Records and Warner Records. In October 2018, we launched Elektra Music Group in the United States as a standalone label group, which comprises the Elektra, Fueled by Ramen and Roadrunner labels, and in December 2021, we acquired 300 Entertainment and subsequently launched 300 Elektra Entertainment, or 3EE, a frontline label group that brings together the multi-genre power of 300 Entertainment and Elektra Music Group. Our Recorded Music business also includes Rhino Entertainment, a division that specializes in marketing our recorded music catalog through compilations, reissues of previously released music and video titles and releasing previously unreleased material from our vault. We also conduct our Recorded Music business through a collection of additional record labels including Asylum, Big Beat, Canvasback, East West, Erato, FFRR, Nonesuch, Parlophone, Reprise, Sire, Spinnin' Records, Warner Classics and Warner Music Nashville.

Outside the United States, our Recorded Music business is conducted in more than 70 countries through various subsidiaries, affiliates and non-affiliated licensees. Internationally, we engage in the same activities as in the United States: discovering and signing artists and distributing, selling, marketing and promoting their music. In most cases, we also market, promote, distribute and sell the music of those recording artists for whom our domestic record labels have international rights. In certain smaller markets, we license the right to distribute and sell our music to non-affiliated third-party record labels.

Our Recorded Music business' operations include WMX, a next generation services division that connects artists with fans and amplifies brands in creative, immersive, and engaging ways. This division includes a rebranded WEA commercial services & marketing network (formerly Warner-Elektra-Atlantic Corporation, or WEA Corp.), which markets, distributes and sells music and video products to retailers and wholesale distributors, as well as acting as the Company's media and creative content arm. Our business' distribution operations also includes Alternative Distribution Alliance ("ADA"), which markets, distributes and sells the products of independent labels to retail and wholesale distributors; and various distribution centers and ventures operated internationally.

In addition to our music being sold in physical retail outlets, our music is also sold in physical form to online physical retailers, such as amazon.com, barnesandnoble.com and bestbuy.com, and distributed in digital form to an expanded universe of digital partners, including streaming services such as those of Amazon, Apple, Deezer, SoundCloud, Spotify, Tencent Music and YouTube, radio services such as iHeart Radio and SiriusXM and other download services.

We have integrated the marketing of digital content into all aspects of our business, including artists and repertoire ("A&R") and distribution. Our business development executives work closely with A&R departments to ensure that while music is being produced, digital assets are also created with all distribution channels in mind, including streaming services, social networking sites, online portals and music-centered destinations. We also work side-by-side with our online and mobile partners to test new concepts. We believe existing and new digital businesses will be a significant source of growth and will provide new opportunities to successfully monetize our assets and create new revenue streams. The proportion of digital revenues attributable to each distribution channel varies by region and proportions may change as the introduction of new technologies continues. As one of the world's largest music entertainment companies, we believe we are well positioned to take advantage of growth in digital distribution and emerging technologies to maximize the value of our assets.

We have diversified our revenues beyond our traditional businesses by entering into expanded-rights deals with recording artists in order to partner with such artists in other aspects of their careers. Under these agreements, we provide services to and participate in recording artists' activities outside the traditional recorded music business such as touring, merchandising and sponsorships. We have built and acquired artist services capabilities and platforms for marketing and distributing this broader set of music-related rights and participating more widely in the monetization of the artist brands we help create. We believe that entering into expanded-rights deals and enhancing our artist services capabilities in areas such as merchandising, VIP ticketing, fan clubs, concert promotion and management has permitted us to diversify revenue streams and capitalize on other revenue opportunities. This

provides for improved long-term relationships with our recording artists and allows us to more effectively connect recording artists and fans.

Recorded Music revenues are derived from four main sources:

- *Digital*: the rightsholder receives revenues with respect to streaming and download services;
- *Physical*: the rightsholder receives revenues with respect to sales of physical products such as vinyl, CDs and DVDs;
- *Artist services and expanded-rights*: the rightsholder receives revenues with respect to our artist services businesses and our participation in expanded rights, including advertising, merchandising such as direct-to-consumer sales, touring, concert promotion, ticketing, sponsorship, fan clubs, artist websites, social publishing, and artist and brand management; and
- *Licensing*: the rightsholder receives royalties or fees for the right to use sound recordings in combination with visual images such as in films or television programs, television commercials and video games; the rightsholder also receives royalties if sound recordings are performed publicly through broadcast of music on television, radio and cable, and in public spaces such as shops, workplaces, restaurants, bars and clubs.

The principal costs associated with our Recorded Music business are as follows:

- *A&R costs*: the costs associated with (i) paying royalties to recording artists, producers, songwriters, other copyright holders and trade unions; (ii) signing and developing recording artists; and (iii) creating master recordings in the studio;
- *Product costs*: the costs to manufacture, package and distribute products to wholesale and retail distribution outlets, the royalty costs associated with distributing products of independent labels to wholesale and retail distribution outlets, as well as the costs related to our artist services business;
- *Selling and marketing expenses*: the costs associated with the promotion and marketing of recording artists and music, including costs to produce music videos for promotional purposes and artist tour support; and
- *General and administrative expenses*: the costs associated with general overhead and other administrative expenses.

### **Music Publishing Operations**

While Recorded Music is focused on marketing, promoting, distributing and licensing a particular recording of a musical composition, Music Publishing is an intellectual property business focused on generating revenue from uses of the musical composition itself. In return for promoting, placing, marketing and administering the creative output of a songwriter, or engaging in those activities for other rightsholders, our Music Publishing business shares the revenues generated from use of the musical compositions with the songwriter or other rightsholders.

The operations of our Music Publishing business are conducted principally through Warner Chappell Music, our global music publishing company headquartered in Los Angeles, with operations in over 70 countries through various subsidiaries, affiliates, and non-affiliated licensees and sub-publishers. We own or control rights to more than one million musical compositions, including numerous pop hits, American standards, folk songs and motion picture and theatrical compositions. Assembled over decades, our award-winning catalog includes over 100,000 songwriters and composers and a diverse range of genres including pop, rock, jazz, classical, country, R&B, hip-hop, rap, reggae, Latin, folk, blues, symphonic, soul, Broadway, electronic, alternative and gospel. Warner Chappell Music also administers the music and soundtracks of several third-party television and film producers and studios. We have an extensive production music catalog collectively branded as Warner Chappell Production Music.

Music Publishing revenues are derived from five main sources:

- *Digital*: the rightsholder receives revenues with respect to musical compositions embodied in recordings distributed in streaming services, download services, digital performance and other digital music services;
- *Performance*: the rightsholder receives revenues if the musical composition is performed publicly through broadcast of music on television, radio and cable and in retail locations (e.g., bars and restaurants), live performance at a concert or other venue (e.g., arena concerts and nightclubs), and performance of music in staged theatrical productions;
- *Mechanical*: the rightsholder receives revenues with respect to musical compositions embodied in recordings sold in any physical format or configuration such as vinyl, CDs and DVDs;

- *Synchronization*: the rightsholder receives revenues for the right to use the musical composition in combination with visual images such as in films or television programs, television commercials and video games as well as from other uses such as in toys or novelty items and merchandise; and
- *Other*: the rightsholder receives revenues for use in sheet music and other uses.

The principal costs associated with our Music Publishing business are as follows:

- *A&R costs*: the costs associated with (i) paying royalties to songwriters, co-publishers and other copyright holders in connection with income generated from the uses of their works and (ii) signing and developing songwriters; and
- *Selling and marketing, general overhead and other administrative expenses*: the costs associated with selling and marketing, general overhead and other administrative expenses.

## **Recent Events and Factors Affecting Results of Operations and Comparability**

### ***Fiscal Quarter End***

Prior to the start of the 2023 fiscal year, the Company maintained a 52-53 week fiscal year ending on the last Friday in each reporting period. Starting with the 2023 fiscal year, the Company transitioned to a reporting calendar in which the reporting periods end on the last day of the calendar quarter. The fiscal year ended September 30, 2022 included 53 weeks, with the additional week falling in the fiscal quarter ended December 31, 2021. Accordingly, the results of operations for the three months ended December 31, 2021 reflect 14 weeks, or 98 days, compared to 92 days for the three months ended December 31, 2022. For the three months ended December 31, 2021, the revenue benefit of the additional week was approximately \$73 million, primarily reflected in Recorded Music streaming revenue.

### ***Russia-Ukraine Conflict***

On February 24, 2022, the geopolitical situation in Eastern Europe intensified with Russia's invasion of Ukraine, and the sanctions and other measures imposed in response to this conflict have increased global economic and political uncertainty. WMG operates both its Recorded Music and Music Publishing businesses within Russia and, on March 10, 2022, the Company announced a suspension of these operations in Russia. While our operations in Russia do not constitute a material portion of our business, a significant escalation or expansion of the conflict's current scope, increased or sustained economic disruption, sanctions or countersanctions, further devaluation of the local currency or increased cyber-related disruptions could make it difficult to deliver our content, broaden inflationary costs, and have an adverse effect on our results of operations.

### ***COVID-19 Pandemic***

On March 11, 2020, the COVID-19 outbreak (also referred to as "COVID") was declared a global pandemic by the World Health Organization. The global pandemic and governmental responses thereto disrupted physical and manufacturing supply chains and required the closures of physical retailers, resulting in declines in our physical revenue streams at the onset of the pandemic. Additionally, stay-at-home orders, limited indoor and outdoor gatherings and other restrictions have negatively affected our business in other ways, such as, making it difficult to hold live concert tours, adversely impacting our concert promotion business and the sale of merchandise, delaying the release of new recordings and disrupting the production and release of motion pictures and television programs, which negatively affected licensing revenue in our Recorded Music business and synchronization revenue in our Music Publishing business. However, the disruption from the COVID-19 pandemic, including the disruption caused by the Omicron variant, accelerated growth of other revenue streams such as fitness and interactive gaming (including augmented reality and virtual reality), which may continue to grow. It is unclear how long the global pandemic will last due to the possibility of new variants and sub-variants, increases in infection rates and renewed government action to slow the spread of the virus, and as such, it cannot be predicted to what extent the global pandemic will continue to impact the demand for our music and related services.

Our results of operations, cash flows and financial condition at and for both the three months ended December 31, 2022 and 2021 were adversely affected by the global pandemic despite a partial recovery starting in fiscal year 2021 as businesses began to reopen and concerts and other live music resumed. For both the three months ended December 31, 2022 and 2021, costs recognized by the Company attributable to COVID were not significant.



## RESULTS OF OPERATIONS

### Three Months Ended December 31, 2022 Compared with Three Months Ended December 31, 2021

#### Consolidated Results

#### Revenues

Our revenues were composed of the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
<b>Revenue by Type</b>				
Digital	\$ 803	\$ 870	\$ (67)	-8 %
Physical	133	195	(62)	-32 %
Total Digital and Physical	936	1,065	(129)	-12 %
Artist services and expanded-rights	206	232	(26)	-11 %
Licensing	97	89	8	9 %
Total Recorded Music	1,239	1,386	(147)	-11 %
Performance	45	38	7	18 %
Digital	149	133	16	12 %
Mechanical	14	14	—	— %
Synchronization	39	42	(3)	-7 %
Other	3	2	1	50 %
Total Music Publishing	250	229	21	9 %
Intersegment eliminations	(1)	(1)	—	— %
Total Revenues	\$ 1,488	\$ 1,614	\$ (126)	-8 %
<b>Revenue by Geographical Location</b>				
U.S. Recorded Music	\$ 539	\$ 608	\$ (69)	-11 %
U.S. Music Publishing	133	115	18	16 %
Total U.S.	672	723	(51)	-7 %
International Recorded Music	700	778	(78)	-10 %
International Music Publishing	117	114	3	3 %
Total International	817	892	(75)	-8 %
Intersegment eliminations	(1)	(1)	—	— %
Total Revenues	\$ 1,488	\$ 1,614	\$ (126)	-8 %

#### Total Revenues

Total revenues decreased by \$126 million, or 8%, to \$1,488 million for the three months ended December 31, 2022 from \$1,614 million for the three months ended December 31, 2021. The prior-year quarter included an additional week, primarily reflected in Recorded Music streaming revenue. The decrease includes \$84 million of unfavorable currency exchange fluctuations. Prior to intersegment eliminations, Recorded Music and Music Publishing revenues represented 83% and 17% of total revenue for the three months ended December 31, 2022, respectively, and 86% and 14% of total revenue for the three months ended December 31, 2021, respectively. Prior to intersegment eliminations, U.S. and international revenues represented 45% and 55% of total revenues for each of the three months ended December 31, 2022 and December 31, 2021.

Total digital revenues after intersegment eliminations decreased by \$50 million, or 5%, to \$952 million for the three months ended December 31, 2022 from \$1,002 million for the three months ended December 31, 2021. Total streaming revenue decreased 4% with growth in Music Publishing of 13%, offset by a decline in Recorded Music streaming revenue of 7% which includes \$35 million of unfavorable currency exchange fluctuations. Total digital revenues represented 64% and 62% of consolidated revenues for the three months ended December 31, 2022 and December 31, 2021, respectively. Prior to intersegment eliminations, total digital revenues for the three months ended December 31, 2022 were composed of U.S. revenues of \$484 million and international revenues of \$468 million, or 51% and 49% of total digital revenues, respectively. Prior to intersegment eliminations, total digital revenues for the three months ended December 31, 2021 were composed of U.S. revenues of \$514 million and international revenues of \$489 million, or 51% and 49% of total digital revenues, respectively.

Recorded Music revenues decreased by \$147 million, or 11%, to \$1,239 million for the three months ended December 31, 2022 from \$1,386 million for the three months ended December 31, 2021. The decrease includes \$74 million of unfavorable currency exchange fluctuations. U.S. Recorded Music revenues were \$539 million and \$608 million, or 44% of consolidated Recorded Music revenues for each of the three months ended December 31, 2022 and December 31, 2021. International Recorded Music revenues were \$700 million and \$778 million, or 56% of consolidated Recorded Music revenues for each of the three months ended December 31, 2022 and December 31, 2021.

The overall decrease in Recorded Music revenue was driven by decreases in digital, physical and artist services and expanded-rights revenues. Digital revenue decreased by \$67 million, which includes an unfavorable impact of foreign currency exchange rates of \$37 million. Revenue from streaming services decreased by \$56 million, or 7%, to \$780 million for the three months ended December 31, 2022 from \$836 million for the three months ended December 31, 2021 and was impacted by unfavorable foreign currency exchange rates of \$35 million, or 4%. Streaming revenue reflects a lighter release schedule and the impact of the additional week in the prior-year quarter, as well as a market-related slowdown in ad-supported revenue. The quarter included carryover success from Ed Sheeran, Dua Lipa, Lizzo and Zach Bryan. Download and other digital revenues decreased by \$11 million, or 32%, to \$23 million for the three months ended December 31, 2022 from \$34 million for the three months ended December 31, 2021 due to the continued shift to streaming services. Physical revenue decreased by \$62 million, driven by an unfavorable impact of foreign currency exchange rates of \$14 million and a lighter release schedule. Artist services and expanded-rights revenue decreased by \$26 million due to an unfavorable impact of foreign currency exchange rates of \$17 million, lower direct-to-consumer merchandising revenue at EMP and lower advertising revenue. Licensing revenue increased by \$8 million, due to higher broadcast fees, synchronization and other third-party licensing revenue, partially offset by an unfavorable impact of foreign currency exchange rates of \$6 million.

Music Publishing revenues increased by \$21 million, or 9%, to \$250 million for the three months ended December 31, 2022 from \$229 million for the three months ended December 31, 2021. U.S. Music Publishing revenues were \$133 million and \$115 million, or 53% and 50% of consolidated Music Publishing revenues, for the three months ended December 31, 2022 and December 31, 2021, respectively. International Music Publishing revenues were \$117 million and \$114 million, or 47% and 50% of consolidated Music Publishing revenues, for the three months ended December 31, 2022 and December 31, 2021, respectively.

The overall increase in Music Publishing revenue was mainly driven by increases in digital revenue of \$16 million, or 12%, and performance revenue of \$7 million, partially offset by a decrease in synchronization revenue of \$3 million. The increase in digital revenue is primarily due to increases in streaming revenue driven by the continued growth in streaming services and timing of new digital deals, partially offset by an unfavorable impact of foreign currency exchange rates of \$4 million. Revenue from streaming services grew by \$17 million, or 13%, to \$146 million for the three months ended December 31, 2022 from \$129 million for the three months ended December 31, 2021. Performance revenue increased due to continued growth from bars, restaurants, concerts and live events, partially offset by an unfavorable impact of foreign currency exchange rates of \$3 million. The decrease in synchronization revenue is attributable to lower commercial licensing activity in the U.S. and the timing of legal settlements. Mechanical revenue remained constant due to an unfavorable impact of foreign currency exchange rates of \$2 million, which offset higher sales.

### ***Revenue by Geographical Location***

U.S. revenue decreased by \$51 million, or 7%, to \$672 million for the three months ended December 31, 2022 from \$723 million for the three months ended December 31, 2021. U.S. Recorded Music revenue decreased by \$69 million, or 11%. The primary driver was the decrease of U.S. Recorded Music digital revenue of \$47 million, or 11%. U.S. Recorded Music streaming revenue decreased by \$42 million, or 10%, as a result of a lighter release schedule and the impact of the additional week in the prior-year quarter, as well as a market-related slowdown in ad-supported revenue. Download and other digital decreased by \$5 million. Decreases are also attributable to lower U.S. Recorded Music physical revenue of \$20 million due to lighter release schedule. U.S. Recorded Music artist services and expanded-rights revenue decreased by \$5 million primarily driven by lower advertising revenue. The increase in licensing revenue of \$3 million is primarily due to higher other third-party licensing revenue. U.S. Music Publishing revenue increased by \$18 million, or 16%, to \$133 million for the three months ended December 31, 2022 from \$115 million for the three months ended December 31, 2021. This was primarily driven by the increase in U.S. Music Publishing of \$17 million in digital revenue due to the continued growth in streaming services and timing of new digital deals. U.S. Music Publishing streaming revenue increased by \$18 million, or 25%. Performance revenue increased by \$5 million driven by continued growth from bars, restaurants, concerts and live events. The decrease in synchronization revenue of \$4 million is due to lower commercial licensing activity and the timing of legal settlements. Mechanical revenue remained constant.

International revenue decreased by \$75 million, or 8%, to \$817 million for the three months ended December 31, 2022 from \$892 million for the three months ended December 31, 2021. Excluding the unfavorable impact of foreign currency exchange rates of \$84 million, International revenue increased by \$9 million, or 1%. International Recorded Music revenue decreased by \$78 million primarily due to decreases in physical revenue of \$42 million, artist services and expanded-rights revenue of \$21 million and digital revenue of \$20 million, partially offset by an increase in licensing revenue of \$5 million. International Recorded Music physical revenue decreased by \$42 million, primarily driven by an unfavorable impact of foreign currency exchange rates and lighter release schedule. International Recorded Music artist services and expanded-rights revenue decreased by \$21 million due to the unfavorable impact of foreign currency exchange rates of \$17 million and lower direct-to-consumer merchandising revenue at EMP. International Recorded Music digital revenue decreased due to a \$14 million, or 3%, decrease in streaming revenue which was primarily driven by an unfavorable impact of foreign currency exchange rates of \$35 million. International Recorded Music licensing revenue increased by \$5 million primarily due to higher broadcast fees and synchronization revenue, partially offset by an unfavorable impact of foreign currency exchange rates. International Music Publishing revenue increased from the prior-year quarter by \$3 million, or 3%, to \$117 million for the three months ended December 31, 2022 from \$114 million for the three months ended December 31, 2021. This was primarily driven by the increase in performance revenue of \$2 million and synchronization revenue of \$1 million, partially offset by the decrease in digital revenue of \$1 million. Performance revenue increased driven by continued growth from bars, restaurants, concerts and live events. Higher synchronization revenue is primarily driven by commercial licensing activity. International Music Publishing streaming revenue decreased by \$1 million, or 2%, driven by an unfavorable impact of foreign currency exchange rates of \$4 million while download and other digital remained constant. Mechanical revenue remained constant primarily due to an unfavorable impact of foreign currency exchange rates, which offset higher sales.

### Cost of revenues

Our cost of revenues was composed of the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
Artist and repertoire costs	\$ 464	\$ 493	\$ (29)	-6 %
Product costs	297	325	(28)	-9 %
Total cost of revenues	\$ 761	\$ 818	\$ (57)	-7 %

Artist and repertoire costs decreased by \$29 million, to \$464 million for the three months ended December 31, 2022 from \$493 million for the three months ended December 31, 2021. Artist and repertoire costs as a percentage of revenue remained constant at 31% for each of the three months ended December 31, 2022 and December 31, 2021.

Product costs decreased by \$28 million, to \$297 million for the three months ended December 31, 2022 from \$325 million for the three months ended December 31, 2021. Product costs as a percentage of revenue remained constant at 20% for each of the three months ended December 31, 2022 and December 31, 2021.

### Selling, general and administrative expenses

Our selling, general and administrative expenses were composed of the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
General and administrative expense (1)	\$ 221	\$ 242	\$ (21)	-9 %
Selling and marketing expense	188	214	(26)	-12 %
Distribution expense	31	41	(10)	-24 %
Total selling, general and administrative expense	\$ 440	\$ 497	\$ (57)	-11 %

(1) Includes depreciation expense of \$21 million for each of the three months ended December 31, 2022 and December 31, 2021.

Total selling, general and administrative expense decreased by \$57 million, or 11%, to \$440 million for the three months ended December 31, 2022 from \$497 million for the three months ended December 31, 2021. Expressed as a percentage of revenue, total selling, general and administrative expense decreased to 30% for the three months ended December 31, 2022 from 31% for the three months ended December 31, 2021.

General and administrative expense decreased by \$21 million to \$221 million for the three months ended December 31, 2022 from \$242 million for the three months ended December 31, 2021. The decrease in general and administrative expense was mainly due to lower non-cash stock-based compensation and other related expenses of \$9 million, favorable movements in foreign currency exchange rates of \$13 million and the impact of the additional week in the prior-year quarter. Expressed as a percentage of revenue, general and administrative expense remained constant at 15% for each of the three months ended December 31, 2022 and December 31, 2021.

Selling and marketing expense decreased by \$26 million, or 12%, to \$188 million for the three months ended December 31, 2022 from \$214 million for the three months ended December 31, 2021. Expressed as a percentage of revenue, selling and marketing expense remained constant at 13% for each of the three months ended December 31, 2022 and December 31, 2021.

Distribution expense was \$31 million for the three months ended December 31, 2022 and \$41 million for the three months ended December 31, 2021. Expressed as a percentage of revenue, distribution expense decreased to 2% for the three months ended December 31, 2022 from 3% for the three months ended December 31, 2021 due to lower physical and artist services and expanded-rights revenue.

#### *Net gain on divestiture*

During the three months ended December 31, 2022, the Company sold its interest in certain sound recording rights and recorded a pre-tax gain of \$41 million, which was recorded as a net gain on divestiture in the accompanying condensed consolidated statement of operations.

#### *Reconciliation of Net Income Attributable to Warner Music Group Corp. and Operating Income to Consolidated OIBDA*

As previously described, we use OIBDA as our primary measure of financial performance. The following table reconciles operating income to OIBDA, and further provides the components from net income attributable to Warner Music Group Corp. to operating income for purposes of the discussion that follows (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
Net income attributable to Warner Music Group Corp.	\$ 122	\$ 187	\$ (65)	-35 %
Income attributable to noncontrolling interest	2	1	1	100 %
Net income	124	188	(64)	-34 %
Income tax expense	48	75	(27)	-36 %
Income before income taxes	172	263	(91)	-35 %
Other expense (income)	61	(54)	115	— %
Interest expense, net	32	30	2	7 %
Operating income	265	239	26	11 %
Amortization expense	63	60	3	5 %
Depreciation expense	21	21	—	— %
OIBDA	\$ 349	\$ 320	\$ 29	9 %

#### *OIBDA*

OIBDA increased by \$29 million to \$349 million for the three months ended December 31, 2022 as compared to \$320 million for the three months ended December 31, 2021 as a result of lower revenues, offset by lower cost of revenues and selling, general and administrative expenses and the net gain on sale of the Company's interest in certain sound recording rights. Expressed as a percentage of total revenue, OIBDA margin increased to 23% for the three months ended December 31, 2022 from 20% for the three months ended December 31, 2021 primarily due to the net gain on sale of the Company's interest in certain sound recording rights and the favorable impact of foreign currency exchange rates. Excluding the net gain on sale of the Company's interest in certain sound recording rights, as a percentage of revenue, OIBDA margin increased to 21% for the three months ended December 31, 2022 from 20% for the three months ended December 31, 2021.

#### *Depreciation expense*

Our depreciation expense remained constant at \$21 million for each of the three months ended December 31, 2022 and December 31, 2021.

#### *Amortization expense*

Our amortization expense increased by \$3 million, or 5%, to \$63 million for the three months ended December 31, 2022 from \$60 million for the three months ended December 31, 2021. The increase is primarily due to an increase in amortizable intangible assets primarily related to the acquisition of music-related assets.

#### *Operating income*

Our operating income increased by \$26 million to \$265 million for the three months ended December 31, 2022 from \$239 million for the three months ended December 31, 2021. The increase in operating income was due to the factors that led to the increase in OIBDA, partially offset by higher amortization as noted above.

#### *Interest expense, net*

Our interest expense, net, increased to \$32 million for the three months ended December 31, 2022 from \$30 million for the three months ended December 31, 2021 due to a higher principal balance due to the issuance of senior secured notes to partially fund the acquisition of a business and music-related assets.

#### *Other expense (income)*

Other expense for the three months ended December 31, 2022 primarily includes foreign currency losses on our Euro-denominated debt of \$68 million and unrealized losses on hedging activity of \$8 million, partially offset by currency exchange gains on our intercompany loans of \$15 million. This compares to foreign currency gains on our Euro-denominated debt of \$31 million, unrealized gains of \$8 million on the mark-to-market of equity investments, currency exchange gains on our intercompany loans of \$6 million and unrealized gains on hedging activity of \$4 million for the three months ended December 31, 2021.

#### *Income tax expense*

Our income tax expense decreased by \$27 million to \$48 million for the three months ended December 31, 2022 from \$75 million for the three months ended December 31, 2021. The decrease of \$27 million in income tax expense is primarily due to the impact of lower pre-tax income in the current-year quarter.

#### *Net income*

Net income decreased by \$64 million to \$124 million for the three months ended December 31, 2022 from \$188 million for the three months ended December 31, 2021 as a result of the factors described above.

#### *Noncontrolling interest*

There was \$2 million of income attributable to noncontrolling interest for the three months ended December 31, 2022 and \$1 million of income attributable to noncontrolling interest for the three months ended December 31, 2021.

## Business Segment Results

Revenues, operating income (loss) and OIBDA by business segment were as follows (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
<b>Recorded Music</b>				
Revenues	\$ 1,239	\$ 1,386	\$ (147)	-11 %
Operating income	283	276	7	3 %
OIBDA	337	330	7	2 %
<b>Music Publishing</b>				
Revenues	250	229	21	9 %
Operating income	49	32	17	53 %
OIBDA	72	54	18	33 %
<b>Corporate expenses and eliminations</b>				
Revenue eliminations	(1)	(1)	—	— %
Operating loss	(67)	(69)	2	-3 %
OIBDA loss	(60)	(64)	4	-6 %
<b>Total</b>				
Revenues	1,488	1,614	(126)	-8 %
Operating income	265	239	26	11 %
OIBDA	349	320	29	9 %

### Recorded Music

#### Revenues

Recorded Music revenue decreased by \$147 million, or 11%, to \$1,239 million for the three months ended December 31, 2022 from \$1,386 million for the three months ended December 31, 2021. U.S. Recorded Music revenues were \$539 million and \$608 million, or 44% and 44% of consolidated Recorded Music revenues, for the three months ended December 31, 2022 and December 31, 2021, respectively. International Recorded Music revenues were \$700 million and \$778 million, or 56% and 56% of consolidated Recorded Music revenues, for the three months ended December 31, 2022 and December 31, 2021, respectively.

The overall decrease in Recorded Music revenue was driven by decreases in digital, physical and artist services and expanded-rights revenues, partially offset by licensing revenue growth as described in the “Total Revenues” and “Revenue by Geographical Location” sections above.

#### Cost of revenues

Recorded Music cost of revenues was composed of the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
Artist and repertoire costs	\$ 311	\$ 343	\$ (32)	-9 %
Product costs	297	325	(28)	-9 %
Total cost of revenues	\$ 608	\$ 668	\$ (60)	-9 %

Recorded Music cost of revenues decreased by \$60 million, or 9%, to \$608 million for the three months ended December 31, 2022 from \$668 million for the three months ended December 31, 2021. Expressed as a percentage of Recorded Music revenue, Recorded Music artist and repertoire costs remained constant at 25% for each of the three months ended December 31, 2022 and December 31, 2021. Expressed as a percentage of Recorded Music revenue, Recorded Music product costs increased to 24% for the three months ended December 31, 2022 from 23% for the three months ended December 31, 2021. The overall increase as a percentage of revenue primarily relates to revenue mix due to higher third-party distributed label revenue.

### ***Selling, general and administrative expense***

Recorded Music selling, general and administrative expenses were composed of the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
General and administrative expense (1)	\$ 132	\$ 151	\$ (19)	-13 %
Selling and marketing expense	185	210	(25)	-12 %
Distribution expense	31	41	(10)	-24 %
Total selling, general and administrative expense	<u>\$ 348</u>	<u>\$ 402</u>	<u>\$ (54)</u>	<u>-13 %</u>

(1) Includes depreciation expense of \$13 million and \$14 million for the three months ended December 31, 2022 and December 31, 2021, respectively.

Recorded Music selling, general and administrative expense decreased by \$54 million, or 13%, to \$348 million for the three months ended December 31, 2022 from \$402 million for the three months ended December 31, 2021. The decrease in general and administrative expense was primarily due to the favorable impact of foreign currency exchange rates and lower non-cash stock-based compensation and other related expenses of \$3 million. The decrease in selling and marketing expense was primarily due to lower variable marketing spend. The decrease in distribution expense was primarily due to lower physical and artist services and expanded-rights revenue. Expressed as a percentage of Recorded Music revenue, Recorded Music selling, general and administrative expense decreased to 28% for the three months ended December 31, 2022 from 29% for the three months ended December 31, 2021.

### ***Net gain on divestiture***

During the three months ended December 31, 2022, the Company sold its interest in certain sound recording rights and recorded a pre-tax gain of \$41 million which was recorded as a net gain on divestiture in the accompanying condensed consolidated statement of operations.

### ***Operating Income and OIBDA***

Recorded Music OIBDA included the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
Operating income	\$ 283	\$ 276	\$ 7	3 %
Depreciation and amortization	54	54	—	— %
OIBDA	<u>\$ 337</u>	<u>\$ 330</u>	<u>\$ 7</u>	<u>2 %</u>

Recorded Music OIBDA increased by \$7 million to \$337 million for the three months ended December 31, 2022 from \$330 million for the three months ended December 31, 2021 as a result of lower revenues, offset by lower cost of revenue and selling, general and administrative expenses and the net gain on sale of the Company's interest in certain sound recording rights. Expressed as a percentage of Recorded Music revenue, Recorded Music OIBDA margin increased to 27% for the three months ended December 31, 2022 from 24% for the three months ended December 31, 2021 primarily due to the net gain on sale of the Company's interest in certain sound recording rights and the favorable impact of foreign currency exchange rates. Excluding the net gain on sale of the Company's interest in certain sound recording rights, OIBDA as a percentage of Recorded Music revenue remained constant at 24% for each of the three months ended December 31, 2022 and December 31, 2021.

Recorded Music operating income increased by \$7 million to \$283 million for the three months ended December 31, 2022 from \$276 million for the three months ended December 31, 2021 due to the factors that led to the increase in Recorded Music OIBDA noted above and lower depreciation, partially offset by an increase in amortizable intangible assets related to the acquisition of music-related assets. Excluding the net gain on sale of the Company's interest in certain sound recording rights, Recorded Music operating income decreased by \$34 million to \$242 million for the three months ended December 31, 2022 from \$276 million for the three months ended December 31, 2021.

## Music Publishing

### Revenues

Music Publishing revenues increased by \$21 million, or 9%, to \$250 million for the three months ended December 31, 2022 from \$229 million for the three months ended December 31, 2021. U.S. Music Publishing revenues were \$133 million and \$115 million, or 53% and 50% of consolidated Music Publishing revenues, for the three months ended December 31, 2022 and December 31, 2021, respectively. International Music Publishing revenues were \$117 million and \$114 million, or 47% and 50% of consolidated Music Publishing revenues, for the three months ended December 31, 2022 and December 31, 2021, respectively.

The overall increase in Music Publishing revenue was driven by growth in digital and performance revenues, partially offset by lower synchronization revenue, as described in the “Total Revenues” and “Revenue by Geographical Location” sections above.

### Cost of revenues

Music Publishing cost of revenues were composed of the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
Artist and repertoire costs	\$ 154	\$ 151	\$ 3	2 %
Total cost of revenues	\$ 154	\$ 151	\$ 3	2 %

Music Publishing cost of revenues increased by \$3 million, or 2%, to \$154 million for the three months ended December 31, 2022 from \$151 million for the three months ended December 31, 2021. Expressed as a percentage of Music Publishing revenue, Music Publishing cost of revenues decreased to 62% for the three months ended December 31, 2022 from 66% for the three months ended December 31, 2021, primarily attributable to revenue mix and the favorable impact of foreign currency exchange rates.

### Selling, general and administrative expense

Music Publishing selling, general and administrative expenses were composed of the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
General and administrative expense (1)	\$ 25	\$ 25	\$ —	— %
Selling and marketing expense	—	1	(1)	-100 %
Total selling, general and administrative expense	\$ 25	\$ 26	\$ (1)	-4 %

(1) Includes depreciation expense of \$1 million and \$2 million for the three months ended December 31, 2022 and December 31, 2021, respectively.

Music Publishing selling, general and administrative expense decreased by \$1 million, or 4%, to \$25 million for the three months ended December 31, 2022 from \$26 million for the three months ended December 31, 2021. Expressed as a percentage of Music Publishing revenue, Music Publishing selling, general and administrative expense decreased to 10% for the three months ended December 31, 2022 from 11% for the three months ended December 31, 2021.

### Operating Income and OIBDA

Music Publishing OIBDA included the following amounts (in millions):

	For the Three Months Ended December 31,		2022 vs. 2021	
	2022	2021	\$ Change	% Change
Operating income	\$ 49	\$ 32	\$ 17	53 %
Depreciation and amortization	23	22	1	5 %
OIBDA	\$ 72	\$ 54	\$ 18	33 %

Music Publishing OIBDA increased by \$18 million, or 33%, to \$72 million for the three months ended December 31, 2022 from \$54 million for the three months ended December 31, 2021. Expressed as a percentage of Music Publishing revenue, Music



Publishing OIBDA margin increased to 29% for the three months ended December 31, 2022 from 24% for the three months ended December 31, 2021, primarily due to strong operating performance and the favorable impact of foreign currency exchange rates.

Music Publishing operating income increased by \$17 million to \$49 million for the three months ended December 31, 2022 from \$32 million for the three months ended December 31, 2021 due to the factors that led to the increase in Music Publishing OIBDA noted above, partially offset by an increase in amortizable intangible assets related to the acquisition of music-related assets.

#### ***Corporate Expenses and Eliminations***

Our operating loss from corporate expenses and eliminations decreased by \$2 million for the three months ended December 31, 2022 to \$67 million from \$69 million for the three months ended December 31, 2021, primarily due to lower non-cash stock-based compensation and other related expenses of \$5 million from a one-time equity grant in the prior-year quarter and the impact of the additional week in the prior-year quarter, partially offset by an increase in depreciation and expenses related to transformation initiatives.

Our OIBDA loss from corporate expenses and eliminations decreased by \$4 million for the three months ended December 31, 2022 to \$60 million from \$64 million for the three months ended December 31, 2021, primarily due to the operating loss factors noted above.

## FINANCIAL CONDITION AND LIQUIDITY

### Financial Condition at December 31, 2022

At December 31, 2022, we had \$3.946 billion of debt (which is net of \$44 million of premiums, discounts and deferred financing costs), \$720 million of cash and equivalents (net debt of \$3.226 billion, defined as total debt, less cash and equivalents and premiums, discounts and deferred financing costs) and \$270 million of Warner Music Group Corp. equity. This compares to \$3.732 billion of debt (which is net of \$41 million of premiums, discounts and deferred financing costs), \$584 million of cash and equivalents (net debt of \$3.148 billion) and \$152 million of Warner Music Group Corp. equity at September 30, 2022.

### Cash Flows

The following table summarizes our historical cash flows (in millions). The financial data for the three months ended December 31, 2022 and December 31, 2021 are unaudited and have been derived from our condensed consolidated interim financial statements included elsewhere herein.

	Three Months Ended December 31,	
	2022	2021
Cash provided by (used in):		
Operating activities	\$ 209	\$ 129
Investing activities	(10)	(624)
Financing activities	(70)	448

### Operating Activities

Cash provided by operating activities was \$209 million for the three months ended December 31, 2022 as compared with cash provided by operating activities of \$129 million for the three months ended December 31, 2021. The \$80 million increase in cash provided by operating activities was primarily due to timing of A&R investments and other movements within working capital.

### Investing Activities

Cash used in investing activities was \$10 million for the three months ended December 31, 2022 as compared with cash used in investing activities of \$624 million for the three months ended December 31, 2021. The \$10 million of cash used in investing activities in the three months ended December 31, 2022 consisted of \$8 million relating to investments and acquisitions of businesses, \$33 million to acquire music-related assets, and \$21 million relating to capital expenditures, partially offset by \$42 million of proceeds from divestitures and \$10 million of proceeds from the sale of investments. The \$624 million of cash used in investing activities in the three months ended December 31, 2021 consisted of \$425 million relating to investments and acquisitions of businesses and \$165 million to acquire music-related assets, a portion of which was debt-financed, and \$34 million relating to capital expenditures.

### Financing Activities

Cash used in financing activities was \$70 million for the three months ended December 31, 2022 as compared with cash provided by financing activities of \$448 million for the three months ended December 31, 2021. The \$70 million of cash used in financing activities for the three months ended December 31, 2022 consisted of cash paid to settle deferred consideration related to a fiscal year 2022 acquisition of music publishing rights of \$125 million, dividends paid of \$84 million, deferred financing costs of \$2 million and distributions to noncontrolling interest holders of \$6 million, partially offset by proceeds from the incremental Senior Term Loan Facility of \$147 million. The \$448 million of cash provided by financing activities for the three months ended December 31, 2021 consisted of proceeds from debt issuance of \$535 million which was used to fund the acquisition of a business and music-related assets, partially offset by dividends paid of \$78 million, deferred financing costs of \$4 million, cash paid to settle contingent consideration of \$4 million and distributions to noncontrolling interest holders of \$1 million.

### Liquidity

Our primary sources of liquidity are the cash flows generated from our subsidiaries' operations, available cash and equivalents and funds available for drawing under our Revolving Credit Facility. These sources of liquidity are needed to fund our debt service requirements, working capital requirements, capital expenditure requirements, strategic acquisitions and investments, and dividends, prepayments of debt, repurchases or retirement of our outstanding debt or notes or repurchases of our outstanding equity securities in open market purchases, privately negotiated purchases or otherwise, we may elect to pay or make in the future.

We believe that our primary sources of liquidity will be sufficient to support our existing operations over the next twelve months.

We are continuing our financial transformation initiative, launched in August 2019, to upgrade our information technology and finance infrastructure, including related systems and processes, for which we currently expect upfront costs to be approximately \$185 million, which includes capital expenditures of approximately \$80 million. There has been a delay in the timing of the transformation initiative as a result of the disruption from COVID-19. In addition, the size and scale of this global system implementation requires us to invest more time performing the rigorous system testing and data validation to ensure go-live readiness. Annualized run-rate savings from the financial transformation initiative are expected to be between approximately \$35 million and \$40 million. We expect that our primary sources of liquidity will be sufficient to fund these expenditures.

### Debt Capital Structure

Since Access acquired us in 2011, we have sought to extend the maturity dates on our outstanding indebtedness, reduce interest expense and improve our debt ratings. For example, our S&P corporate credit rating improved from B in 2017 to BB+ in July 2021 with a stable outlook, and our Moody's corporate family rating improved from B1 in 2016 to Ba3 in 2020. In addition, our weighted-average interest rate on our outstanding indebtedness has decreased from 10.5% in 2011 to 3.7% as of December 31, 2022. Our nearest-term maturity date is in 2028. Subject to market conditions, we expect to continue to take opportunistic steps to extend our maturity dates and reduce related interest expense. From time to time, we may incur additional indebtedness for, among other things, working capital, repurchasing, redeeming or tendering for existing indebtedness and acquisitions or other strategic transactions.

### Senior Term Loan Facility Incremental Commitment Amendment

On November 1, 2022, Acquisition Corp. entered into a Seventh Incremental Commitment Amendment (the "Seventh Incremental Commitment Amendment"), with Credit Suisse AG, New York Branch, as Tranche H term lender, and Credit Suisse AG, as administrative agent, and acknowledged by the guarantors party thereto and WMG Holdings Corp., to the Senior Term Loan Credit Agreement, pursuant to which Acquisition Corp. borrowed additional term loans in the amount of \$150 million for an aggregate principal amount outstanding under the Senior Term Loan Credit Agreement of \$1,295 million. The Seventh Incremental Commitment Amendment was entered into to fund certain deferred payment obligations owing in respect of certain prior acquisitions, to pay fees and expenses relating thereto and for general corporate purposes.

### Existing Debt as of December 31, 2022

As of December 31, 2022, our long-term debt, all of which was issued by Acquisition Corp., was as follows (in millions):

Revolving Credit Facility (a)	\$	—
Senior Term Loan Facility due 2028		1,295
2.750% Senior Secured Notes due 2028 (€325 face amount)		346
3.750% Senior Secured Notes due 2029		540
3.875% Senior Secured Notes due 2030		535
2.250% Senior Secured Notes due 2031 (€445 face amount)		474
3.000% Senior Secured Notes due 2031		800
Total long-term debt, including the current portion	\$	3,990
Issuance premium less unamortized discount and unamortized deferred financing costs		(44)
Total long-term debt, including the current portion, net	\$	<u>3,946</u>

(a) Reflects \$300 million of commitments under the Revolving Credit Facility available at December 31, 2022, less letters of credit outstanding of approximately \$4 million at December 31, 2022. There were no loans outstanding under the Revolving Credit Facility at December 31, 2022.

For further discussion of our debt agreements, see "Liquidity" in the "Financial Condition and Liquidity" section of our Annual Report on Form 10-K for the fiscal year ended September 30, 2022.

### Dividends

The Company's ability to pay dividends may be restricted by covenants in the credit agreement for the Revolving Credit Facility which are currently suspended but which will be reinstated if Acquisition Corp.'s Total Indebtedness to EBITDA Ratio increases above 3.50:1.00 and the term loans do not achieve an investment grade rating.

The Company intends to pay quarterly cash dividends to holders of its Class A Common Stock and Class B Common Stock. The declaration of each dividend will continue to be at the discretion of the Company's board of directors and will depend on the Company's financial condition, earnings, liquidity and capital requirements, level of indebtedness, contractual restrictions with respect to payment of dividends, restrictions imposed by Delaware law, general business conditions and any other factors that the Company's board of directors deems relevant in making such a determination. Therefore, there can be no assurance that the Company will pay any dividends to holders of the Company's common stock, or as to the amount of any such dividends.

On November 10, 2022, the Company's board of directors declared a cash dividend of \$0.16 per share on the Company's Class A Common Stock and Class B Common Stock, as well as related payments under certain stock-based compensation plans, which was paid to stockholders on December 1, 2022. The Company paid an aggregate of approximately \$84 million, or \$0.16 per share, in cash dividends to stockholders and participating security holders for the three months ended December 31, 2022.

### **Covenant Compliance**

The Company was in compliance with its covenants under its outstanding notes, the Revolving Credit Facility and the Senior Term Loan Facility as of December 31, 2022.

On January 18, 2019, we delivered a notice to the trustee under the 2012 Secured Indenture and 2014 Unsecured Indenture changing the Fixed GAAP Date, as defined under the indentures, to October 1, 2018. Under the Senior Term Loan Facility, the Revolving Credit Facility and the Secured Notes Indenture, the Fixed GAAP Date is set for April 3, 2020, other than in respect of capital leases, which are frozen at November 1, 2012.

The Revolving Credit Facility contains a springing leverage ratio that is tied to a ratio based on EBITDA, which is defined under the Revolving Credit Agreement. Our ability to borrow funds under the Revolving Credit Facility may depend upon our ability to meet the leverage ratio test at the end of a fiscal quarter to the extent we have drawn a certain amount of revolving loans. On May 4, 2021, certain covenants set forth in our Revolving Credit Facility were suspended, including the restriction on incurring certain additional indebtedness, based on the determination that the total indebtedness to EBITDA ratio is below the required threshold specified therein. EBITDA as defined in the Revolving Credit Facility is based on Consolidated Net Income (as defined in the Revolving Credit Facility), both of which terms differ from the terms "EBITDA" and "net income" as they are commonly used. For example, the calculation of EBITDA under the Revolving Credit Facility, in addition to adjusting net income to exclude interest expense, income taxes and depreciation and amortization, also adjusts net income by excluding items or expenses such as, among other items, (1) the amount of any restructuring charges or reserves; (2) any non-cash charges (including any impairment charges); (3) any net loss resulting from hedging currency exchange risks; (4) the amount of management, monitoring, consulting and advisory fees paid to Access; (5) business optimization expenses (including consolidation initiatives, severance costs and other costs relating to initiatives aimed at profitability improvement); (6) transaction expenses; (7) equity-based compensation expense; and (8) certain extraordinary, unusual or non-recurring items. The definition of EBITDA under the Revolving Credit Facility also includes adjustments for the pro forma impact of certain projected cost savings, operating expense reductions and synergies and any quality of earnings analysis prepared by independent certified public accountants in connection with an acquisition, merger, consolidation or other investment. The Senior Term Loan Facility and the Secured Notes Indenture use financial measures called "Consolidated EBITDA" or "EBITDA" and "Consolidated Net Income" that have substantially the same definitions to EBITDA and Consolidated Net Income, each as defined under the Revolving Credit Agreement.

EBITDA as defined in the Revolving Credit Facility (referred to in this section as "Adjusted EBITDA") is presented herein because it is a material component of the leverage ratio contained in the Revolving Credit Agreement. Non-compliance with the leverage ratio could result in the inability to use the Revolving Credit Facility, which could have a material adverse effect on our results of operations, financial position and cash flow. Adjusted EBITDA does not represent net income or cash from operating activities as those terms are defined by U.S. GAAP and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. While Adjusted EBITDA and similar measures are frequently used as measures of operations and the ability to meet debt service requirements, these terms are not necessarily comparable to other similarly titled captions of other companies due to the potential inconsistencies in the method of calculation. Adjusted EBITDA does not reflect the impact of earnings or charges resulting from matters that we may consider not to be indicative of our ongoing operations. In particular, the definition of Adjusted EBITDA in the Revolving Credit Agreement allows us to add back certain non-cash, extraordinary, unusual or non-recurring charges that are deducted in calculating net income. However, these are expenses that may recur, vary greatly and are difficult to predict.

Adjusted EBITDA as presented below should not be used by investors as an indicator of performance for any future period. Further, our debt instruments require that it be calculated for the most recent four fiscal quarters. As a result, the measure can be disproportionately affected by a particularly strong or weak quarter. Further, it may not be comparable to the measure for any subsequent four quarter period or any complete fiscal year. In addition, our debt instruments require that the leverage ratio be calculated on a pro forma basis for certain transactions including acquisitions as if such transactions had occurred on the first date of the measurement period and may include expected cost savings and synergies resulting from or related to any such transaction. There can be no assurances that any such cost savings or synergies will be achieved in full.

In addition, Adjusted EBITDA is a key measure used by our management to understand and evaluate our operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. Some of those limitations include: (1) it does not reflect the periodic costs of certain capitalized tangible and intangible assets used in generating revenue for our business; (2) it does not reflect the significant interest expense or cash requirements necessary to service interest or principal payments on our indebtedness; and (3) it does not reflect every cash expenditure, future requirements for capital expenditures or contractual commitments. In particular, this measure adds back certain non-cash, extraordinary, unusual or non-recurring charges that are deducted in calculating net income; however, these are expenses that may recur, vary greatly and are difficult to predict. In addition, Adjusted EBITDA is not the same as net income or cash flow provided by operating activities as those terms are defined by U.S. GAAP and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. Accordingly, Adjusted EBITDA should be considered in addition to, not as a substitute for, net income (loss) and other measures of financial performance reported in accordance with U.S. GAAP.

The following is a reconciliation of net income (loss), which is a U.S. GAAP measure of our operating results, to Adjusted EBITDA as defined, for the most recently ended four fiscal quarters, or the twelve months ended December 31, 2022, for the twelve months ended December 31, 2021 and for the three months ended December 31, 2022 and December 31, 2021. In addition, the reconciliation includes the calculation of the Senior Secured Indebtedness to Adjusted EBITDA ratio, which we refer to as the Leverage Ratio, under the Revolving Credit Agreement for the most recently ended four fiscal quarters, or the twelve months ended December 31, 2022. The terms and related calculations are defined in the Revolving Credit Agreement. All amounts in the reconciliation below reflect Acquisition Corp. (in millions, except ratios):

	Twelve Months Ended December 31,		Three Months Ended December 31,	
	2022	2021	2022	2021
<b>Net Income</b>	\$ 491	\$ 396	\$ 124	\$ 188
Income tax expense	158	189	48	75
Interest expense, net	127	121	32	30
Depreciation and amortization	342	316	84	81
Loss on extinguishment of debt (a)	—	22	—	—
Net gains on divestitures and sale of securities (b)	(32)	(3)	(41)	—
Restructuring costs (c)	21	30	3	4
Net hedging and foreign exchange (gains) losses (d)	(93)	(78)	61	(41)
Transaction costs (e)	3	17	—	7
Business optimization expenses (f)	55	48	15	14
Non-cash stock-based compensation expense (g)	29	62	13	23
Other non-cash charges (h)	34	8	2	(11)
Pro forma impact of cost savings initiatives and specified transactions (i)	27	79	9	19
<b>Adjusted EBITDA</b>	<b>\$ 1,162</b>	<b>\$ 1,207</b>	<b>\$ 350</b>	<b>\$ 389</b>
<b>Senior Secured Indebtedness (j)</b>	<b>\$ 3,696</b>			
<b>Leverage Ratio (k)</b>		<b>3.18x</b>		

(a) Reflects loss on extinguishment of debt, primarily including tender fees and unamortized deferred financing costs.

(b) Reflects net gains on sale of securities and divestitures.

(c) Reflects severance costs and other restructuring related expenses.

(d) Reflects unrealized (gains) losses due to foreign exchange on our Euro-denominated debt, losses (gains) from hedging activities and intercompany transactions.

(e) Reflects mainly transaction related costs and mark-to-market adjustments of an earn-out liability related to a transaction in 2021.

- (f) Reflects costs associated with our transformation initiatives and IT system updates, which includes costs of \$10 million and \$41 million related to our finance transformation and other related costs for the three and twelve months ended December 31, 2022, respectively, as well as \$10 million and \$37 million for the three and twelve months ended December 31, 2021, respectively.
- (g) Reflects non-cash stock-based compensation expense related to the Omnibus Incentive Plan and the Warner Music Group Corp. Senior Management Free Cash Flow Plan.
- (h) Reflects non-cash activity, including the unrealized losses (gains) on the mark-to-market adjustment of equity investments, investment losses (gains), mark-to-market adjustments of an earn-out liability in 2022 and other non-cash impairments.
- (i) Reflects expected savings resulting from transformation initiatives and the pro forma impact of certain specified transactions for the three and twelve months ended December 31, 2022. Certain of these cost savings initiatives and transactions impacted quarters prior to the quarter during which they were identified within the last twelve-month period. The pro forma impact of these specified transactions and initiatives resulted in a \$9 million decrease in the twelve months ended December 31, 2022 Adjusted EBITDA, primarily driven by the shift in the timing of the financial transformation initiative.
- (j) Reflects the balance of senior secured debt at Acquisition Corp. of approximately \$3.946 billion less cash of \$250 million.
- (k) Reflects the ratio of Senior Secured Indebtedness, including Revolving Credit Agreement Indebtedness, to Adjusted EBITDA. This is calculated net of cash and equivalents of the Company as of December 31, 2022 not exceeding \$250 million. If the outstanding aggregate principal amount of borrowings and drawings under letters of credit which have not been reimbursed under our Revolving Credit Facility is greater than \$105 million at the end of a fiscal quarter, the maximum leverage ratio permitted under the Revolving Credit Facility is 5.00:1.00. The Company's Revolving Credit Facility does not impose any "leverage ratio" maintenance requirement on the Company when the aggregate principal amount of borrowings and drawings under letters of credit, which have not been reimbursed under the Revolving Credit Facility, is less than or equal to \$105 million at the end of a fiscal quarter. On May 4, 2021, certain covenants set forth in our Revolving Credit Facility were suspended, including the restriction on incurring certain additional indebtedness, based on the determination that the total indebtedness to EBITDA ratio is below the required threshold specified therein.

## Summary

Management believes that funds generated from our operations and borrowings under the Revolving Credit Facility and available cash and equivalents will be sufficient to fund our debt service requirements, working capital requirements and capital expenditure requirements for the foreseeable future. We also have additional borrowing capacity under our indentures and the Senior Term Loan Facility. However, our ability to continue to fund these items and to reduce debt may be affected by general economic, financial, competitive, legislative and regulatory factors, as well as other industry-specific factors such as the ability to control music piracy and the continued transition from physical to digital formats in the recorded music and music publishing industries. It could also be affected by the severity and duration of geopolitical conflicts or natural or man-made disasters, including pandemics such as COVID-19. We and our affiliates continue to evaluate opportunities to, from time to time, depending on market conditions and prices, contractual restrictions, our financial liquidity and other factors, seek to pay dividends or prepay outstanding debt or repurchase or retire Acquisition Corp.'s outstanding debt or debt securities or repurchase our outstanding equity securities in open market purchases, privately negotiated purchases or otherwise. The amounts involved in any such transactions, individually or in the aggregate, may be material and may be funded from available cash or from additional borrowings. In addition, from time to time, depending on market conditions and prices, contractual restrictions, our financial liquidity and other factors, we may seek to refinance the Senior Credit Facilities or our outstanding debt or debt securities with existing cash and/or with funds provided from additional borrowings.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

As discussed in Note 16 to our audited consolidated financial statements for the fiscal year ended September 30, 2022, the Company is exposed to market risk arising from changes in market rates and prices, including movements in foreign currency exchange rates and interest rates. As of December 31, 2022, other than as described below, there have been no material changes to the Company's exposure to market risk since September 30, 2022.

#### **Foreign Currency Risk**

Within our global business operations we have transactional exposures that may be adversely affected by changes in foreign currency exchange rates relative to the U.S. dollar. We may at times choose to use foreign exchange currency derivatives, primarily forward contracts, to manage the risk associated with the volatility of future cash flows denominated in foreign currencies, such as unremitted or future royalties and license fees owed to our U.S. companies for the sale or licensing of U.S.-based music and merchandise abroad that may be adversely affected by changes in foreign currency exchange rates. We focus on managing the level of exposure to the risk of foreign currency exchange rate fluctuations on major currencies, which can include the Euro, British pound sterling, Japanese yen, Canadian dollar, Swedish krona, Australian dollar, Brazilian real, Korean won and Norwegian krone, and in many cases we have natural hedges where we have expenses associated with local operations that offset the revenue in local currency and our Euro-denominated debt, which can offset declines in the Euro. As of December 31, 2022, the Company had outstanding hedge contracts for the sale of \$337 million and the purchase of \$197 million of foreign currencies at fixed rates. Subsequent to December 31, 2022, certain of our foreign exchange contracts expired.

The fair value of foreign exchange contracts is subject to changes in foreign currency exchange rates. For the purpose of assessing the specific risks, we use a sensitivity analysis to determine the effects that market risk exposures may have on the fair value of our financial instruments. For foreign exchange forward contracts outstanding at December 31, 2022, we typically perform a sensitivity analysis assuming a hypothetical 10% depreciation of the U.S. dollar against foreign currencies from prevailing foreign currency exchange rates and assuming no change in interest rates. The fair value of the foreign exchange forward contracts would have decreased by \$14 million based on this analysis. Hypothetically, even if there was a decrease in the fair value of the forward contracts, because our foreign exchange contracts are entered into for hedging purposes, these losses would be largely offset by gains on the underlying transactions.

#### **Interest Rate Risk**

We had \$3.990 billion of principal debt outstanding at December 31, 2022, of which \$1.295 billion was variable-rate debt and \$2.695 billion was fixed-rate debt. As such, we are exposed to changes in interest rates. At December 31, 2022, 68% of the Company's debt was at a fixed rate. In addition, as of December 31, 2022, we have the option under our floating rate Tranche G loans under the Senior Term Loan Facility to select a one, two, three or six month LIBOR rate, and we have the option under our floating rate Tranche H loans under the Senior Term Loan Facility to select one, three or six month Term SOFR. To manage interest rate risk on \$1.295 billion of U.S. dollar-denominated variable-rate debt, the Company has entered into interest rate swaps to effectively convert the floating interest rates to a fixed interest rate on a portion of its variable-rate debt. As a result, as of December 31, 2022, 88% of the Company's debt was effectively at a fixed rate. As of December 31, 2022, the Company's interest rate swaps are expected to mature within one year.

Based on the level of interest rates prevailing at December 31, 2022, the fair value of the Company's fixed-rate and variable-rate debt was approximately \$3.542 billion. Further, as of December 31, 2022, based on the amount of the Company's fixed-rate debt, a 25 basis point increase or decrease in the level of interest rates would decrease the fair value of the fixed-rate debt by approximately \$36 million or increase the fair value of the fixed-rate debt by approximately \$37 million. This potential fluctuation is based on the simplified assumption that the level of fixed-rate debt remains constant with an immediate across the board increase or decrease in the level of interest rates with no subsequent changes in rates for the remainder of the period.

#### **Inflation Risk**

Inflationary factors such as increases in overhead costs may adversely affect our results of operations. We do not believe that inflation has had a material effect on our business, financial condition or results of operations to date. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases for services. Our inability or failure to do so could harm our business, financial condition or results of operations.

## ITEM 4. CONTROLS AND PROCEDURES

### *Certification*

The certifications of the principal executive officer and the principal financial officer (or persons performing similar functions) required by Rules 13a-14(a) and 15d-14(a) of the Exchange Act (the “Certifications”) are filed as exhibits to this report. This section of the report contains the information concerning the evaluation of the Company’s disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) (“Disclosure Controls”) and changes to internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) (“Internal Controls”) referred to in the Certifications and this information should be read in conjunction with the Certifications for a more complete understanding of the topics presented.

### *Introduction*

The SEC’s rules define “disclosure controls and procedures” as controls and procedures that are designed to ensure that information required to be disclosed by public companies in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by public companies in the reports that they file or submit under the Exchange Act is accumulated and communicated to a company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

The SEC’s rules define “internal control over financial reporting” as a process designed by, or under the supervision of, a public company’s principal executive and principal financial officers, or persons performing similar functions, and effected by the Company’s board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, or U.S. GAAP, including those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

The Company’s management, including its principal executive officer and principal financial officer, does not expect that our Disclosure Controls or Internal Controls will prevent or detect all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the limitations in any and all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. Further, the design of any control system is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Because of these inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected even when effective Disclosure Controls and Internal Controls are in place.

### *Evaluation of Disclosure Controls and Procedures*

Based on management’s evaluation (with the participation of the Company’s principal executive officer and principal financial officer), as of the end of the period covered by this report, the Company’s principal executive officer and principal financial officer have concluded that the Company’s Disclosure Controls are effective to provide reasonable assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act will be recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, including that such information is accumulated and communicated to management, including the principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

### *Changes in Internal Control over Financial Reporting*

There have been no changes in our internal control over financial reporting or other factors that occurred during the three months ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting. The Company has not experienced any material impact to our internal controls over financial reporting despite the fact that many of our employees continue to work remotely due to the COVID-19 global pandemic.



## **PART II. OTHER INFORMATION**

### **ITEM 1. LEGAL PROCEEDINGS**

From time to time the Company is involved in claims and legal proceedings that arise in the ordinary course of business. The Company is currently subject to several such claims and legal proceedings. Based on currently available information, the Company does not believe that resolution of pending matters will have a material adverse effect on its financial condition, cash flows or results of operations. However, litigation is subject to inherent uncertainties, and there can be no assurances that the Company's defenses will be successful or that any such lawsuit or claim would not have a material adverse impact on the Company's business, financial condition, cash flows and results of operations in a particular period. Any claims or proceedings against the Company, whether meritorious or not, can have an adverse impact because of defense costs, diversion of management and operational resources, negative publicity and other factors.

### **ITEM 1A. RISK FACTORS**

There are no material changes to the risk factors discussed in our Annual Report on Form 10-K for the fiscal year ended September 30, 2022.

### **ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

Not applicable.

### **ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

Not applicable.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

### **ITEM 5. OTHER INFORMATION**

Not applicable.

## ITEM 6. EXHIBITS

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

<b>Exhibit Number</b>	<b>Exhibit Description</b>
10.1*	<a href="#">Seventh Incremental Commitment Amendment to Credit Agreement, dated as of November 1, 2022, among WMG Acquisition Corp., the several banks and other financial institutions party thereto and Credit Suisse AG, as administrative agent, relating to the term loan credit agreement</a>
10.2*†	<a href="#">Form of Award Agreement under Warner Music Group Corp. 2020 Omnibus Incentive Plan</a>
10.3*†	<a href="#">Service Agreement, dated as of January 12, 2023, between Max Lousada and Warner Music International Services Limited</a>
10.4*†	<a href="#">Employment Separation Agreement and Release, dated as of January 17, 2023, between Stephen Cooper and Warner Music Group Corp.</a>
31.1*	<a href="#">Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended</a>
31.2*	<a href="#">Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended</a>
32.1**	<a href="#">Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
32.2**	<a href="#">Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

\* Filed herewith.

\*\* Pursuant to SEC Release No. 33-8212, this certification will be treated as “accompanying” this Quarterly Report on Form 10-Q and not “filed” as part of such report for purposes of Section 18 of the Securities Exchange Act, as amended, or otherwise subject to the liability of Section 18 of the Securities Exchange Act, as amended, and this certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, except to the extent that the registrant specifically incorporates it by reference.

† Identifies each management contract or compensatory plan or arrangement in which directors and/or executive officers are eligible to participate.



## INCREMENTAL COMMITMENT AMENDMENT

SEVENTH INCREMENTAL COMMITMENT AMENDMENT, dated as of November 1, 2022 (this “Incremental Amendment”), to the Existing Credit Agreement referred to below among WMG Acquisition Corp., a Delaware corporation (together with its successors and assigns, the “Borrower”), the other Loan Parties (as defined in the Credit Agreement (as defined below)) parties hereto, WMG Holdings Corp., a Delaware corporation (together with its successors and assigns, “Holdings”), the Administrative Agent (as defined below) and Credit Suisse AG, New York Branch, as Tranche H Term Lender.

### RECITALS

WHEREAS, the Borrower has entered into that certain Credit Agreement, dated as of November 1, 2012 (as amended, amended and restated, supplemented or otherwise modified from time to time, prior to the date hereof, the “Existing Credit Agreement”, and as amended hereby, the “Credit Agreement”), among the Borrower; the several lenders party thereto from time to time; Credit Suisse AG, as administrative agent for the Lenders (in such capacity, the “Administrative Agent”); Credit Suisse Loan Funding LLC, BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A. and Morgan Stanley Senior Funding, Inc., as joint lead arrangers and joint bookrunners;

WHEREAS, pursuant to and in accordance with Section 2.6 of the Existing Credit Agreement, the Borrower has requested that Incremental Term Loan Commitments be made available to the Borrower, and the Tranche H Term Lender and the Administrative Agent have agreed, upon the terms and subject to the conditions set forth herein, that the Tranche H Term Lender will make Incremental Loans in the form of the Tranche H Term Loans in an aggregate principal amount of \$150,000,000, the proceeds of which will be used to fund certain deferred payment obligations owing in respect of certain prior acquisitions, to pay fees and expenses relating thereto and for general corporate purposes (the entry into this Incremental Amendment and the borrowing of the Tranche H Term Loans hereunder, and any or all of the foregoing transactions referred to in this paragraph, collectively, the “Transactions”);

WHEREAS, Credit Suisse Loan Funding LLC, BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs Lending Partners LLC, JPMorgan Chase Bank, N.A. and Morgan Stanley Senior Funding, Inc. (each, a “Tranche H Arranger Party” and, collectively, the “Tranche H Arranger Parties”) are acting as joint lead arrangers and bookrunners for the Tranche H Term Loans; and

WHEREAS, effective as of the making of the Tranche H Term Loans, each Lender party hereto has agreed to the amendment of the Existing Credit Agreement as set forth herein.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

Section 2. Amendment of the Existing Credit Agreement.

(a) Effective as of the Incremental Amendment Effective Date, the Existing Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same

manner as the following example: ~~stricken text~~) and to add the bold and double-underlined text (indicated textually in the same manner as the following example: **double underlined text**) as set forth in the pages of the Existing Credit Agreement attached as Annex I hereto.

(b) It is understood and agreed that the Tranche H Term Loans are “Incremental Loans”, the Tranche H Term Lender is an “Additional Lender,” the Tranche H Term Loan Commitment is an “Incremental Term Loan Commitment” and this Incremental Amendment is an “Incremental Commitment Amendment”, in each case, as defined in the Existing Credit Agreement. It is further understood and agreed that this Incremental Amendment and the Credit Agreement are each a “Loan Document”, as defined in the Existing Credit Agreement.

(c) Exhibits J, K, L, M, N, O and P to the Existing Credit Agreement are hereby amended to read as set forth in Annex II hereto.

(d) The Schedules to the Existing Credit Agreement are hereby amended by adding Annex III hereto as a new Schedule A-7.

Section 3. Conditions to Effectiveness of Amendment. The effectiveness of this Incremental Amendment, including the obligation of the Tranche H Term Lender to make a Tranche H Term Loan, is subject to the satisfaction or waiver of the following conditions (the date of such satisfaction or waiver of such conditions being referred to herein as the “Incremental Amendment Effective Date”):

(a) Incremental Amendment. The Administrative Agent shall have received this Incremental Amendment executed and delivered by a duly authorized officer of the Borrower, each other Loan Party, Holdings and the Tranche H Term Lender.

(b) Legal Opinions, Officer’s Certificates, Corporate Authorizations. The Administrative Agent shall have received, on behalf of itself and the Tranche H Term Lender, customary legal opinions, customary officer’s closing certificates, organizational documents, customary evidence of authorization and good standing certificates in jurisdictions of formation or organization, in each case, with respect to the Borrower, the other Loan Parties (to the extent applicable) and Holdings (to the extent applicable), in each case (to the extent applicable) substantially similar to the corresponding opinions, certificates and documents delivered in connection with the closing of the Sixth Incremental Commitment Amendment, dated as of January 20, 2021.

(c) Officer’s Certificate. A certificate of a Responsible Officer of the Borrower certifying to the representations and warranties set forth in Section 4.

(d) PATRIOT Act and Anti-Money Laundering. The Administrative Agent shall have received, at least 5 days prior to the Incremental Amendment Effective Date, all documentation and other information required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act, as has been reasonably requested in writing at least 10 days prior to the Incremental Amendment Effective Date by the Administrative Agent or any Tranche H Arranger Party. To the extent the Borrower qualifies as a “legal entity customer” under 31 C.F.R. § 1010.230 (the “Beneficial Ownership Regulation”), at least three (3) Business Days prior to the Incremental Amendment Effective Date, each Tranche H Term Lender that has requested, in a written notice to the Borrower at least ten (10) Business Days prior to the Incremental Amendment Effective Date, a beneficial ownership certification as required by the Beneficial

Ownership Regulation (the “Beneficial Ownership Certificate”) in relation to the Borrower shall have received such Beneficial Ownership Certificate.

(e) Fees and Other Amounts. Each Tranche H Arranger Party shall have received all fees and expenses required to be paid or delivered by the Borrower to it on or prior to such date pursuant to (i) that certain amended and restated engagement letter, dated as of September 22, 2022 among the Tranche H Arranger Parties and the Borrower and (ii) any other written agreement entered into between the Borrowers and any Tranche H Arranger Party.

(f) Borrowing Notice. The Administrative Agent shall have received a notice in respect of the Tranche H Term Loans as required by Section 2.3 of the Credit Agreement.

(g) Compliance Certificate. The Administrative Agent shall have received a certificate of the Borrower certifying compliance with the financial test set forth in clause (i)(B) of the proviso to Section 2.6(a) of the Credit Agreement (together with calculations demonstrating compliance with such test).

The making of the Tranche H Term Loans by the Tranche H Term Lender shall conclusively be deemed to constitute an acknowledgement by the Administrative Agent and the Tranche H Term Lender that each of the conditions precedent set forth in this Section 3 shall have been satisfied in accordance with its respective terms or shall have been irrevocably waived by such Person.

Section 4. Representations and Warranties. To induce the other parties hereto to enter into this Incremental Amendment and the Tranche H Term Lender to make the Tranche H Term Loans, the Borrower hereby represents and warrants, with respect to itself and its Restricted Subsidiaries, to the Administrative Agent and the Tranche H Term Lender that on and as of the date hereof after giving effect to this Incremental Amendment:

(a) No Default or Event of Default has occurred and is continuing.

(b) The representations and warranties of the Loan Parties set forth in Article V of the Existing Credit Agreement are true and correct in all material respects on and as of the Incremental Amendment Effective Date with the same effect as though made on and as of such date, except that (i) to the extent that such representations and warranties specifically refer to an earlier date, they are true and correct in all material respects as of such earlier date and (ii) the representations and warranties contained in Section 5.5(a) of the Existing Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Section 7.1(a) of the Existing Credit Agreement.

(c) The execution and delivery by each Loan Party of this Incremental Amendment, the performance of this Incremental Amendment by each Loan Party, the performance of the Credit Agreement by the Borrower and the consummation of the Transactions, (i) are within such Loan Party’s corporate or other powers and have been duly authorized by all necessary corporate or other organizational action and (ii) (A) do not and will not contravene the terms of any of such Person’s Organization Documents; (B) conflict with or result in any breach or contravention of, or require any payment to be made under, (x) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Restricted Subsidiaries or (y) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which the Borrower or its property is subject; or (C) violate any Law; except in the case of clauses (ii)(B) and (ii)(C) to the extent that

such conflict, breach, contravention or payment would not reasonably be expected to have a Material Adverse Effect.

(d) This Incremental Amendment has been duly executed and delivered by the Borrower and each other Loan Party. This Incremental Amendment and, solely in the case of the Borrower, the Credit Agreement constitute legal, valid and binding obligations of the Borrower and such other Loan Party, enforceable against the Borrower and each other Loan Party that is party hereto in accordance with their terms, in each case except as such enforceability may be limited by applicable domestic or foreign bankruptcy, insolvency, reorganization, receivership, moratorium or other Laws affecting creditors' rights generally and by general principles of equity.

(e) The Borrower will use the proceeds of the Tranche H Term Loans (i) to fund certain deferred payment obligations owing in respect of certain prior acquisitions, (ii) to pay fees, costs and expenses related to the Transactions and (iii) for general corporate purposes.

(f) The information provided in the Beneficial Ownership Certificate delivered pursuant to Section 3(d) is true and correct on and as of the date set forth in the Beneficial Ownership Certificate.

Section 5. Effects on Loan Documents; Acknowledgement.

(a) Except as expressly set forth herein, this Incremental Amendment shall not (i) by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders, the Administrative Agent, the Collateral Agent, Holdings or the Loan Parties under the Existing Credit Agreement or any other Loan Document or (ii) alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other provision of the Existing Credit Agreement or any other Loan Document. Except as expressly set forth herein, each and every term, condition, obligation, covenant and agreement contained in the Existing Credit Agreement or any other Loan Document is hereby ratified and re-affirmed in all respects and shall continue in full force and effect and nothing herein can or may be construed as a novation thereof. Each Loan Party and Holdings reaffirms its obligations under the Loan Documents to which it is party and the validity, enforceability and perfection of the Liens granted by it pursuant to the Security Agreement on the Incremental Amendment Effective Date. This Incremental Amendment shall constitute a Loan Document for purposes of the Credit Agreement and from and after the Incremental Amendment Effective Date, all references to the "Credit Agreement" in any Loan Document and all references in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, shall, unless expressly provided otherwise, refer to the Credit Agreement as amended by this Incremental Amendment. Each of the Loan Parties and Holdings hereby consents to this Incremental Amendment and confirms that all obligations of such Loan Party or Holdings under the Loan Documents to which such Loan Party or Holdings is a party shall continue to apply to the Credit Agreement, as amended hereby.

(b) Without limiting the foregoing, each of the Loan Parties party to the Guarantee Agreement and the Security Agreement hereby (i) acknowledges and agrees that the Tranche H Term Loans are Loans and the Tranche H Term Lender is a Lender, (ii) acknowledges and agrees that all of its obligations under the Guarantee Agreement and the Security Agreement are reaffirmed and remain in full force and effect on a continuous basis, (iii) reaffirms each Lien granted by each Loan Party to the Collateral Agent for the benefit of the Secured Parties (including the Tranche H Term Lender) and reaffirms the guaranties made pursuant to the

Guarantee Agreement, (iv) acknowledges and agrees that the grants of security interests by and the guaranties of the Loan Parties contained in the Guarantee Agreement and the Security Agreement are, and shall remain, in full force and effect after giving effect to this Incremental Amendment, (v) agrees that the Secured Obligations include, among other things and without limitation, the prompt and complete payment and performance by the Borrower when due and payable (whether at the stated maturity, by acceleration or otherwise) of principal and interest on, the Tranche H Term Loans, and (vi) agrees that all Secured Obligations are Guaranteed Obligations (as defined in the Guarantee Agreement).

(c) Without limiting the foregoing, Holdings, as party to the Security Agreement hereby (i) acknowledges and agrees that the Tranche H Term Loans are Loans and the Tranche H Term Lender is a Lender, (ii) acknowledges and agrees that all of its obligations under the Security Agreement are reaffirmed and remain in full force and effect on a continuous basis, (iii) reaffirms each Lien granted by it to the Collateral Agent for the benefit of the Secured Parties (including the Tranche H Term Lender), (iv) acknowledges and agrees that the grants of security interests by it contained in the Security Agreement are, and shall remain, in full force and effect after giving effect to this Incremental Amendment and (v) agrees that the Secured Obligations include, among other things and without limitation, the prompt and complete payment and performance by the Borrower when due and payable (whether at the stated maturity, by acceleration or otherwise) of principal and interest on, the Tranche H Term Loans.

Section 6. Expenses. The Borrower agrees to pay or reimburse the Administrative Agent for (1) all of its reasonable and documented out-of-pocket costs and expenses incurred in connection with this Incremental Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, and (2) the reasonable documented fees, charges and disbursements of Davis Polk & Wardwell LLP, as counsel to the Administrative Agent.

Section 7. Counterparts. This Incremental Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all of which when taken together shall constitute a single instrument. Delivery of an executed counterpart of a signature page of this Incremental Amendment by facsimile or any other electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

Section 8. Electronic Execution. Any signature to this Incremental Amendment may be delivered by facsimile, electronic mail (including pdf) or any electronic signature complying with the U.S. federal ESIGN Act of 2000 or the New York Electronic Signature and Records Act 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 to the fullest extent permitted by applicable law. Each of the parties represents and warrants to the other parties that it has the corporate capacity and authority to execute this Incremental Amendment through electronic means and there are no restrictions for doing so in that party's constitutive documents. For the avoidance of doubt, the foregoing applies to any amendment, extension or renewal of this Incremental Amendment.

Section 9. Applicable Law. THIS INCREMENTAL AMENDMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS INCREMENTAL AMENDMENT (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER HEREOF) SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK



WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICTS OF LAWS THEREOF, TO THE EXTENT THAT THE SAME ARE NOT MANDATORILY APPLICABLE BY STATUTE AND WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION.

Section 10. Headings. The headings of this Incremental Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

*[Remainder of page intentionally left blank.]*

IN WITNESS WHEREOF, the parties hereto have caused this Incremental Amendment to be executed and delivered by their respective duly authorized officers as of the date first above written.

WMG ACQUISITION CORP.

By: /s/ Paul M. Robinson  
Name: Paul M. Robinson  
Title: Executive Vice President and  
General Counsel

[Signature Page – Incremental Commitment Amendment]

Acknowledged and agreed:

WMG HOLDINGS CORP.

By: /s/ Paul M. Robinson  
Name: Paul M. Robinson  
Title: Executive Vice President and  
General Counsel

Guarantors:

A.P. SCHMIDT CO.  
ARTS MUSIC INC.  
ATLANTIC RECORDING CORPORATION  
ATLANTIC/MR VENTURES INC.  
AUDIO PROPERTIES/BURBANK, INC.  
BIG BEAT RECORDS INC.  
CAFÉ AMERICANA INC.  
CHAPPELL MUSIC COMPANY, INC.  
COTA MUSIC, INC.  
COTILLION MUSIC, INC.  
CRK MUSIC INC.  
E/A MUSIC, INC.  
ELEKSYLUM MUSIC, INC.  
ELEKTRA ENTERTAINMENT GROUP INC.  
ELEKTRA GROUP VENTURES INC.  
ELEKTRA MUSIC GROUP INC.  
ELEKTRA/CHAMELEON VENTURES INC.  
FHK, INC.  
FIDDLEBACK MUSIC PUBLISHING COMPANY, INC.  
GENE AUTRY'S WESTERN MUSIC PUBLISHING CO.  
GOLDEN WEST MELODIES, INC.  
INSOUND ACQUISITION INC.  
INTERSONG U.S.A., INC.  
J. RUBY PRODUCTIONS, INC.  
JADAR MUSIC CORP.  
LEM AMERICA, INC.  
LONDON-SIRE RECORDS INC.  
MAVERICK PARTNER INC.  
MCGUFFIN MUSIC INC.  
MELODY RANCH MUSIC CO., INC.  
MIXED BAG MUSIC, INC.  
NONESUCH RECORDS INC.  
OCTA MUSIC, INC.  
PEPAMAR MUSIC CORP.  
REP SALES, INC.

[Signature Page – Incremental Commitment Amendment]

REVELATION MUSIC PUBLISHING CORPORATION  
RHINO ENTERTAINMENT COMPANY  
RICK'S MUSIC INC.  
RIDGWAY MUSIC CO., INC.  
RIGHTSONG MUSIC INC.  
ROADRUNNER RECORDS, INC.  
RYKO CORPORATION  
RYKODISC, INC.  
RYKOMUSIC, INC.  
SEA CHIME MUSIC, INC.  
SR/MDM VENTURE INC.  
SUMMY-BIRCHARD, INC.  
SUPER HYPE PUBLISHING, INC.  
THE ALL BLACKS U.S.A., INC.  
TOMMY VALANDO PUBLISHING GROUP, INC.  
UNICHAPPELL MUSIC INC.  
W.C.M. MUSIC CORP.  
WALDEN MUSIC INC.  
WARNER ALLIANCE MUSIC INC.  
WARNER BROTHERS INC.  
WARNER MUSIC PUBLISHING INTERNATIONAL INC.  
WARNER RECORDS INC.  
WARNER CUSTOM MUSIC CORP.  
WARNER DOMAIN MUSIC INC.  
WARNER MUSIC DISCOVERY INC.  
WARNER MUSIC LATINA INC.  
WARNER MUSIC SP INC.  
WARNER SOJOURNER MUSIC INC.  
WARNER SPECIAL PRODUCTS INC.  
WARNER STRATEGIC MARKETING INC.  
WARNER CHAPPELL MUSIC SERVICES, INC.  
WARNER CHAPPELL MUSIC, INC.  
WARNER CHAPPELL PRODUCTION MUSIC, INC.  
WARNER-ELEKTRA-ATLANTIC CORPORATION  
WARNERSONGS, INC.  
WARNER-TAMERLANE PUBLISHING CORP.  
WARPRISE MUSIC INC.  
WC GOLD MUSIC CORP.  
W CHAPPELL MUSIC CORP.  
WCM/HOUSE OF GOLD MUSIC, INC.  
WARNER RECORDS/QRI VENTURE, INC.  
WARNER RECORDS/RUFFNATION VENTURES, INC.  
WEA EUROPE INC.  
WEA INC.

[Signature Page – Incremental Commitment Amendment]

WEA INTERNATIONAL INC.  
WIDE MUSIC, INC.  
WMG RHINO HOLDINGS INC.  
ARTIST ARENA LLC  
ASYLUM LLC  
ASYLUM RECORDS LLC  
ASYLUM WORLDWIDE LLC  
ATLANTIC MOBILE LLC  
ATLANTIC PIX LLC  
ATLANTIC PRODUCTIONS LLC  
ATLANTIC RECORDING LLC  
ATLANTIC SCREAM LLC  
ATLANTIC/143 L.L.C.  
BB INVESTMENTS LLC  
BULLDOG ISLAND EVENTS LLC  
BUTE SOUND LLC  
CORDLESS RECORDINGS LLC  
EAST WEST RECORDS LLC  
ELEKTRA MUSIC LLC  
ELEKTRA RECORDS LLC  
FERRET MUSIC HOLDINGS LLC  
FERRET MUSIC LLC  
FERRET MUSIC MANAGEMENT LLC  
FERRET MUSIC TOURING LLC  
FOZ MAN MUSIC LLC  
FUELED BY RAMEN LLC  
LAVA RECORDS LLC  
MM INVESTMENT LLC  
P & C PUBLISHING LLC  
RHINO NAME & LIKENESS HOLDINGS, LLC  
RHINO ENTERTAINMENT LLC  
RHINO FOCUS HOLDINGS LLC  
RHINO/FSE HOLDINGS, LLC  
SODATONE USA LLC  
T-BOY MUSIC, L.L.C.  
T-GIRL MUSIC, L.L.C.  
THE BIZ LLC  
UPPED.COM LLC  
UPROXX LLC  
WARNER MUSIC DISTRIBUTION LLC  
WARNER MUSIC NASHVILLE LLC  
WARNER RECORDS/SIRE VENTURES LLC  
WARNER RECORDS LLC  
WMG COE, LLC  
WMG PRODUCTIONS LLC  
WRONG MAN DEVELOPMENT LIMITED LIABILITY COMPANY  
COMEDY TECHNOLOGIES, INC.  
DAQUAN MEDIA LLC  
SO SATISFYING LLC  
SOCIAL ACES, LLC

[Signature Page – Incremental Commitment Amendment]

ATLANTIC RECORDS GROUP LLC  
300 ENTERTAINMENT LLC  
300 STUDIOS, LLC  
3PARTA, LLC  
300 ENTERTAINMENT LIVE EVENTS LLC

By: /s/ Paul M. Robinson  
Name: Paul M. Robinson  
Title: Vice President & Secretary of each of the above  
named entities listed under the heading  
Guarantors and signing this agreement in such  
capacity on behalf of each such entity

WARNER MUSIC INC.

By: /s/ Paul M. Robinson  
Name: Paul M. Robinson  
Title: Executive Vice President,  
General Counsel & Secretary

ARTIST ARENA INTERNATIONAL,  
LLC

By: Artist Arena LLC, its Sole Member

By: Warner Music Inc., its Sole Member

By: /s/ Paul M. Robinson  
Name: Paul M. Robinson  
Title: Executive Vice President,  
General Counsel & Secretary

[Signature Page – Incremental Commitment Amendment]

ALTERNATIVE DISTRIBUTION  
ALLIANCE

By: Warner Music Distribution LLC, its  
Managing Partner

By: Rep Sales, Inc., its Sole Member and  
Manager

By: /s/ Paul M. Robinson  
Name: Paul M. Robinson  
Title: Vice President & Secretary

MAVERICK RECORDING COMPANY

By: SR/MDM Venture Inc., its Managing  
Partner

By: /s/ Paul M. Robinson  
Name: Paul M. Robinson  
Title: Vice President & Secretary

[Signature Page – Incremental Commitment Amendment]

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,  
as Administrative Agent

By: /s/ D. Andrew Maletta  
Name: D. Andrew Maletta  
Title: Authorized Signatory

By: /s/ Nawshaer Safi  
Name: Nawshaer Safi  
Title: Authorized Signatory

[Signature Page – Incremental Commitment Amendment]



CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as Tranche H Term Lender

By: /s/ D. Andrew Maletta  
Name: D. Andrew Maletta  
Title: Authorized Signatory

By: /s/ Heesu Sin  
Name: Heesu Sin  
Title: Authorized Signatory

[Signature Page – Incremental Commitment Amendment]

**ANNEX I**

**Credit Agreement**

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~~\$1,310,000,000~~1,295,000,000

CREDIT AGREEMENT

among

WMG ACQUISITION CORP.,  
as Borrower,

THE LENDERS  
FROM TIME TO TIME PARTIES HERETO,

CREDIT SUISSE AG,  
as Administrative Agent,

BARCLAYS BANK PLC,  
UBS SECURITIES LLC,  
as Syndication Agents,

and

CREDIT SUISSE SECURITIES (USA) LLC,  
BARCLAYS BANK PLC,  
UBS SECURITIES LLC,  
MACQUARIE CAPITAL (USA) INC.,  
and NOMURA SECURITIES INTERNATIONAL, INC.,  
as Joint Lead Arrangers and Joint Bookrunners

dated as of November 1, 2012

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~~1008495241v1~~1008495241v6  
#96130652v7

## Table of Contents

	<u>Page</u>
SECTION 1 Definitions	1
1.1 <u>Defined Terms</u>	1
1.2 <u>Other Definitional Provisions</u>	74
SECTION 2 Amount and Terms of Commitments	78
2.1 <u>Term Loans</u>	78
2.2 <u>Notes</u>	82
2.3 <u>Procedure for Term Loan Borrowing</u>	<del>84</del> 85
2.4 <u>[Reserved.]</u>	<del>85</del> 86
2.5 <u>Repayment of Loans</u>	<del>85</del> 87
2.6 <u>Incremental Facilities</u>	<del>86</del> 87
2.7 <u>Permitted Debt Exchanges</u>	<del>90</del> 92
2.8 <u>Extension of Term Loans</u>	<del>91</del> 93
SECTION 3 [Reserved]	<del>95</del> 97
SECTION 4 General Provisions Applicable to Loans	<del>95</del> 97
4.1 <u>Interest Rates and Payment Dates</u>	<del>95</del> 97
4.2 <u>Conversion and Continuation Options</u>	<del>96</del> 98
4.3 <u>Minimum Amounts; Maximum Sets</u>	<del>98</del> 100
4.4 <u>Optional and Mandatory Prepayments</u>	<del>98</del> 100
4.5 <u>Administrative Agent's Fee; Other Fees</u>	<del>110</del> 113
4.6 <u>Computation of Interest and Fees</u>	<del>113</del> 116
4.7 <u>Inability to Determine Interest Rate</u>	<del>113</del> 116
4.8 <u>Pro Rata Treatment and Payments</u>	<del>115</del> 118
4.9 <u>Illegality</u>	<del>116</del> 119
4.10 <u>Requirements of Law</u>	<del>117</del> 120
4.11 <u>Taxes</u>	<del>119</del> 122
4.12 <u>Indemnity</u>	<del>124</del> 127
4.13 <u>Certain Rules Relating to the Payment of Additional Amounts</u>	<del>124</del> 128
4.14 <u>Defaulting Lenders</u>	<del>126</del> 130
SECTION 5 Representations and Warranties	<del>127</del> 131
5.1 <u>Existence, Qualification and Power; Compliance with Laws</u>	<del>127</del> 131
5.2 <u>Authorization; No Contravention</u>	<del>128</del> 131
5.3 <u>Governmental Authorization; Other Consents</u>	<del>128</del> 132
5.4 <u>Binding Effect</u>	<del>129</del> 132
5.5 <u>Financial Statements; No Material Adverse Effect</u>	<del>129</del> 132
5.6 <u>Litigation</u>	<del>129</del> 133
5.7 <u>No Default</u>	<del>129</del> 133

5.8 <u>Ownership of Property; Liens</u>	<del>129</del> <u>133</u>
5.9 <u>Environmental Compliance</u>	<del>129</del> <u>133</u>
5.10 <u>Taxes</u>	<del>130</del> <u>134</u>
5.11 <u>ERISA Compliance</u>	<del>131</del> <u>134</u>
5.12 <u>Subsidiaries; Equity Interests</u>	<del>131</del> <u>135</u>
5.13 <u>Margin Regulations; Investment Company Act</u>	<del>132</del> <u>135</u>
5.14 <u>Anti-Terrorism Law</u>	<del>132</del> <u>136</u>
5.15 <u>Sanctioned Persons</u>	<del>132</del> <u>136</u>
5.16 <u>Foreign Corrupt Practices Act</u>	<del>132</del> <u>136</u>
5.17 <u>Labor Matters</u>	<del>133</del> <u>136</u>
5.18 <u>Disclosure</u>	<del>133</del> <u>137</u>
5.19 <u>Intellectual Property; Licenses, Etc</u>	<del>133</del> <u>137</u>
5.20 <u>Solvency</u>	<del>134</del> <u>138</u>
5.21 <u>Senior Debt Status</u>	<del>134</del> <u>138</u>
5.22 <u>Valid Liens</u>	<del>134</del> <u>138</u>
SECTION 6 <u>Conditions Precedent</u>	<del>134</del> <u>138</u>
6.1 <u>Conditions to Initial Extension of Credit</u>	<del>134</del> <u>138</u>
SECTION 7 <u>Affirmative Covenants</u>	<del>137</del> <u>141</u>
7.1 <u>Financial Statements</u>	<del>137</del> <u>141</u>
7.2 <u>Certificates; Other Information</u>	<del>138</del> <u>142</u>
7.3 <u>Notices</u>	<del>140</del> <u>144</u>
7.4 <u>Payment of Taxes</u>	<del>140</del> <u>144</u>
7.5 <u>Preservation of Existence, Etc</u>	<del>141</del> <u>145</u>
7.6 <u>Maintenance of Properties</u>	<del>141</del> <u>145</u>
7.7 <u>Maintenance of Insurance</u>	<del>141</del> <u>145</u>
7.8 <u>Compliance with Laws</u>	<del>141</del> <u>145</u>
7.9 <u>Books and Records</u>	<del>141</del> <u>145</u>
7.10 <u>Inspection Rights</u>	<del>141</del> <u>146</u>
7.11 <u>Use of Proceeds</u>	<del>142</del> <u>146</u>
7.12 <u>Covenant to Guarantee Obligations and Give Security</u>	<del>142</del> <u>146</u>
7.13 <u>Compliance with Environmental Laws</u>	<del>145</del> <u>149</u>
7.14 <u>Further Assurances</u>	<del>145</del> <u>149</u>
7.15 <u>Maintenance of Ratings</u>	<del>145</del> <u>149</u>
7.16 <u>Post-Closing Actions</u>	<del>145</del> <u>149</u>
SECTION 8 <u>Negative Covenants</u>	<del>145</del> <u>149</u>
8.1 <u>[Reserved]</u>	<del>146</del> <u>150</u>
8.2 <u>[Reserved]</u>	<del>146</del> <u>150</u>
8.3 <u>[Reserved]</u>	<del>146</del> <u>150</u>
8.4 <u>[Reserved]</u>	<del>146</del> <u>150</u>
8.5 <u>Liens</u>	<del>146</del> <u>150</u>
8.6 <u>Fundamental Changes</u>	<del>146</del> <u>150</u>

8.7 <u>[Reserved]</u>	<del>148</del> <u>151</u>
8.8 <u>Change of Control</u>	<del>148</del> <u>151</u>
8.9 <u>Suspension of Covenants</u>	<del>148</del> <u>152</u>
SECTION 9 <u>Events of Default</u>	<del>149</del> <u>152</u>
9.1 <u>Events of Default</u>	<del>149</del> <u>152</u>
9.2 <u>Remedies Upon an Event of Default</u>	<del>152</del> <u>155</u>
SECTION 10 <u>The Agents and the Other Representatives</u>	<del>152</del> <u>156</u>
10.1 <u>Appointment</u>	<del>152</del> <u>156</u>
10.2 <u>The Administrative Agent and Affiliates</u>	<del>153</del> <u>157</u>
10.3 <u>Action by an Agent</u>	<del>153</del> <u>157</u>
10.4 <u>Exculpatory Provisions</u>	<del>153</del> <u>157</u>
10.5 <u>Acknowledgement and Representations by Lenders</u>	<del>154</del> <u>159</u>
10.6 <u>Indemnity; Reimbursement by Lenders</u>	<del>155</del> <u>159</u>
10.7 <u>Right to Request and Act on Instructions; Reliance</u>	<del>155</del> <u>160</u>
10.8 <u>Collateral Matters</u>	<del>156</del> <u>160</u>
10.9 <u>Successor Agent</u>	<del>158</del> <u>163</u>
10.10 <u>Withholding Tax</u>	<del>159</del> <u>164</u>
10.11 <u>Other Representatives</u>	<del>160</del> <u>164</u>
10.12 <u>Application of Proceeds</u>	<del>160</del> <u>164</u>
SECTION 11 <u>Miscellaneous</u>	<del>161</del> <u>165</u>
11.1 <u>Amendments and Waivers</u>	<del>161</del> <u>165</u>
11.2 <u>Notices</u>	<del>166</del> <u>171</u>
11.3 <u>No Waiver; Cumulative Remedies</u>	<del>168</del> <u>173</u>
11.4 <u>Survival of Representations and Warranties</u>	<del>168</del> <u>173</u>
11.5 <u>Payment of Expenses and Taxes</u>	<del>169</del> <u>173</u>
11.6 <u>Successors and Assigns; Participations and Assignments</u>	<del>170</del> <u>174</u>
11.7 <u>Adjustments; Set-off; Calculations; Computations</u>	<del>180</del> <u>185</u>
11.8 <u>Judgment</u>	<del>181</del> <u>185</u>
11.9 <u>Counterparts</u>	<del>182</del> <u>186</u>
11.10 <u>Severability</u>	<del>182</del> <u>186</u>
11.11 <u>Integration</u>	<del>182</del> <u>186</u>
11.12 <u>Governing Law</u>	<del>182</del> <u>186</u>
11.13 <u>Submission to Jurisdiction; Waivers</u>	<del>182</del> <u>187</u>
11.14 <u>Acknowledgements</u>	<del>183</del> <u>188</u>
11.15 <u>Waiver Of Jury Trial</u>	<del>184</del> <u>188</u>
11.16 <u>Confidentiality</u>	<del>184</del> <u>188</u>
11.17 <u>Incremental Indebtedness; Additional Indebtedness</u>	<del>185</del> <u>190</u>
11.18 <u>USA Patriot Act Notice</u>	<del>186</del> <u>190</u>
11.19 <u>Electronic Execution of Assignments and Certain Other Documents</u>	<del>186</del> <u>190</u>
11.20 <u>Reinstatement</u>	<del>186</del> <u>190</u>
11.21 <u>Acknowledgement of Consent to Bail-In of EEA Financial Institutions</u>	<del>186</del> <u>191</u>

11.22 Acknowledgement Regarding Any Supported QFCs

~~187~~[191](#)

~~11.23 Electronic Execution of Assignments and Certain Other Documents~~

~~188~~

(iv)

[1008495241v6](#)

~~#94013791v12~~[96130652v7](#)

~~1008495241v1~~

## SCHEDULES

- A -- Commitments; Addresses
- A-1 -- Commitments; Tranche B Term Lenders
- A-2 -- Commitments; Tranche C Term Lenders
- A-3 -- Commitments; Tranche D Term Lenders
- A-4 -- Commitments; Tranche E Term Lenders
- A-5 -- Commitments; Tranche F Term Lenders
- A-6 -- Commitments; Tranche G Term Lenders
- [A-7](#) -- [Commitments; Tranche H Term Lenders](#)
- 5.12 -- Restricted Subsidiaries
- 7.16 -- Post-Closing Actions

## EXHIBITS

- A -- Form of Note
- B -- Form of Security Agreement
- C -- Form of Guarantee Agreement
- D -- Form of U.S. Tax Compliance Certificate
- E -- Form of Assignment and Acceptance
- F -- Form of Solvency Certificate
- G -- Form of Increase Supplement
- H -- Form of Lender Joinder Agreement
- I -- Form of Affiliated Lender Assignment and Assumption
- J -- Form of Acceptance and Prepayment Notice
- K -- Form of Discount Range Prepayment Notice
- L -- Form of Discount Range Prepayment Offer
- M -- Form of Solicited Discounted Prepayment Notice
- N -- Form of Solicited Discounted Prepayment Offer
- O -- Form of Specified Discount Prepayment Notice
- P -- Form of Specified Discount Prepayment Response

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[#96130652v7](#)



CREDIT AGREEMENT, dated as of November 1, 2012, among WMG ACQUISITION CORP. (as further defined in Section 1.1, the “Borrower”), a Delaware corporation, the several banks and other financial institutions from time to time party hereto (as further defined in Section 1.1, the “Lenders”), and CREDIT SUISSE AG, as administrative agent (in such capacity and as further defined in Section 1.1, the “Administrative Agent”) for the Lenders hereunder.

The parties hereto hereby agree as follows:

## SECTION 1

### Definitions

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

“2011 Transactions”: has the meaning given to the term “2011 Transactions” under the Existing Unsecured Indenture.

“2012 Senior Secured Dollar Notes”: the Borrower’s Dollar-denominated 6.000% Senior Secured Notes due 2021 issued pursuant to the 2012 Senior Secured Notes Indenture, and any substantially similar senior secured notes exchanged therefor that have been registered under the Securities Act, and as the same or such substantially similar notes may be amended, supplemented, waived or otherwise modified from time to time.

“2012 Senior Secured Euro Notes”: the Borrower’s Euro-denominated 6.250% Senior Secured Notes due 2021 issued pursuant to the 2012 Senior Secured Notes Indenture, and any substantially similar senior secured notes exchanged therefor that have been registered under the Securities Act, and as the same or such substantially similar notes may be amended, supplemented, waived or otherwise modified from time to time.

“2012 Senior Secured Notes”: collectively, the 2012 Senior Secured Dollar Notes and the 2012 Senior Secured Euro Notes.

“2012 Senior Secured Notes Indenture”: the indenture dated as of November 1, 2012 among Wells Fargo Bank, National Association, as trustee, the Borrower and the guarantors party thereto, as the same may be amended or supplemented from time to time.

“2014 Senior Secured Notes”: the Borrower’s Dollar-denominated 5.625% Senior Secured Notes due 2022 issued pursuant to the 2012 Senior Secured Notes Indenture, and any substantially similar senior secured notes exchanged therefor that have been registered under the Securities Act, and as the same or such substantially similar notes may be amended, supplemented, waived or otherwise modified from time to time.

“ABR”: when used in reference to any Loan or Borrowing, is used when such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

“ABR Loans”: Loans to which the rate of interest applicable is based upon the Alternate Base Rate.

“Acceleration”: as defined in Section 9.1(e).

“Acceptable Discount”: as defined in Section 4.4(h)(iv)(2).

“Acceptable Prepayment Amount”: as defined in Section 4.4(h)(iv)(3).

“Acceptance and Prepayment Notice”: a written notice from the Borrower setting forth the Acceptable Discount pursuant to Section 4.4(h)(iv)(2) substantially in the form of Exhibit J.

“Acceptance Date”: as defined in Section 4.4(h)(iv)(2).

“Access Investors”: collectively: (a) Access Industries, LLC (“Access”), (b) Mr. Len Blavatnik; (c) the Blavatnik Family Foundation LLC, (d) any direct or indirect equityholder of Access, (e) any family member of any direct or indirect equityholder of Access, (f) entities controlled, directly or indirectly, or managed, directly or indirectly, by Access or an Affiliate of Access, (g) any partnership, corporation or other entity controlled by any direct or indirect equityholder of Access or such equityholder’s family members for tax or estate planning purposes; (h) any trusts created for the benefit of the Persons described in clauses (a) through (g) and (j) or any trust for the benefit of any such trust; (i) any foundation or charity affiliated with any Access Investor, so long as any Access Investor, or a fiduciary who is selected by an Access Investor and whom such Access Investor has the power to remove and replace, retains voting control over the shares transferred to such foundation or charity, (j) in the event of the incompetence or death of any Person described in clauses (b), (d) and (e), such Person’s estate, executor, administrator, committee or other personal representative or beneficiaries, in each case who at any particular date shall beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Borrower or any direct or indirect parent company of the Borrower; (k) any Affiliate of any of the foregoing described in clauses (a) through (j) (each of the Persons described in clauses (a) through (k), an “Access Party”); and (l) any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the Access Parties is a member; provided that in the case of clause (l) and without giving effect to the existence of such group or any other group, Access Parties, collectively, have beneficial ownership, directly or indirectly, of a majority of the total voting power of the Voting Stock of the Borrower or any direct or indirect parent of the Borrower held by such group.

“Accounts”: “accounts” as defined in the UCC and, with respect to any Person, all such Accounts of such Person, whether now existing or existing in the future, including (a) all accounts receivable of such Person (whether or not specifically listed on schedules furnished to the Administrative Agent), including all accounts receivable created by or arising from all of such Person’s sales of goods or rendition of services made under any of its trade names, or through any of its divisions, (b) all unpaid rights of such Person (including rescission, replevin, reclamation and stopping in transit) relating to the foregoing or arising therefrom, (c) all rights to any goods represented by any of the foregoing, including returned or repossessed goods, (d) all

reserves and credit balances held by such Person with respect to any such accounts receivable of any Obligors, (e) all letters of credit, guarantees or collateral for any of the foregoing and (f) all insurance policies or rights relating to any of the foregoing.

“Additional Indebtedness”: additional Indebtedness subject to the terms of the Security Agreement, the Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement, as applicable.

“Additional Lender”: as defined in Section 2.6(b).

“Adjusted LIBOR Rate”: with respect to any Borrowing of Eurodollar Loans for any Interest Period, an interest rate per annum determined by the Administrative Agent to be equal to the higher of (a) (i) the LIBOR Rate for such Borrowing of Eurodollar Loans in effect for such Interest Period divided by (ii) 1 minus the Statutory Reserves (if any) for such Borrowing of Eurodollar Loans for such Interest Period and (b) (i) 1.25% in the case of Eurodollar Loans that are Initial Term Loans, (ii) 1.00% in the case of Eurodollar Loans that are Tranche B Term Loans, (iii) 1.00% in the case of Eurodollar Loans that are Tranche C Term Loans, (iv) 0.00% in the case of Eurodollar Loans that are Tranche D Term Loans, (v) 0.00% in the case of Eurodollar Loans that are Tranche E Term Loans, (vi) 0.00% in the case of Eurodollar Loans that are Tranche F Term Loans and (vii) 0.00% in the case of Eurodollar Loans that are Tranche G Term Loans; provided that if the Adjusted LIBOR Rate determined in accordance with the foregoing shall be less than zero, the Adjusted LIBOR Rate shall be deemed to be zero for all purposes of this Agreement.

“Administrative Agent”: as defined in the Preamble hereto and shall include any successor to the Administrative Agent appointed pursuant to Section 10.9.

“Affected Eurodollar Rate”: as defined in Section 4.7(a).

“Affected Loans”: as defined in Section 4.9.

“Affiliate”: of any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

“Affiliated Debt Fund”: any Affiliated Lender that is primarily engaged in, or advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, notes, bonds and similar extensions of credit or securities in the ordinary course, so long as (i) any such Affiliated Lender is managed as to day-to-day matters (but excluding, for the avoidance of doubt, as to strategic direction and similar matters) independently from Sponsor and any Affiliate of Sponsor that is not primarily engaged in the investing activities described above, (ii) any such Affiliated Lender has in place customary information screens between it and Sponsor and any Affiliate of Sponsor that is not primarily

engaged in the investing activities described above, and (iii) neither Holdings nor any of its Subsidiaries directs or causes the direction of the investment policies of such entity.

“Affiliated Lender”: any Lender that is a Permitted Affiliated Assignee.

“Affiliated Lender Assignment and Assumption”: as defined in Section 11.6(h)(i)(1).

“Agent Default”: an Agent has admitted in writing that it is insolvent or such Agent becomes subject to an Agent-Related Distress Event.

“Agent-Related Distress Event”: with respect to any Agent (each, a “Distressed Person”), a voluntary or involuntary case with respect to such Distressed Person under any debtor relief law, or a custodian, conservator, receiver or similar official is appointed for such Distressed Person or any substantial part of such Distressed Person’s assets, or such Distressed Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Distressed Person to be, insolvent or bankrupt; provided that an Agent-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Agent or any person that directly or indirectly controls such Agent by a Governmental Authority or an instrumentality thereof.

“Agents”: the collective reference to the Administrative Agent and the Collateral Agent and “Agent” shall mean any of them.

“Agreement”: this Credit Agreement, as amended, supplemented, waived or otherwise modified, from time to time.

“Alternate Base Rate”: means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus 1/2 of 1% ~~and~~, (c) in respect of Adjusted LIBOR Rate Loans, to the extent the Adjusted LIBOR Rate is ascertainable, the Adjusted LIBOR Rate for a one-month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%; provided that, for the avoidance of doubt, the Adjusted LIBOR Rate for any day shall be based on the rate determined on such day at approximately 11 a.m. (London time) by reference to the ICE Benchmark Administration Interest Settlement Rates (or the successor thereto if the ICE Benchmark Administration is no longer making a LIBOR Rate available) for deposits in Dollars (as set forth by any service selected by the Administrative Agent that has been nominated by the ICE Benchmark Administration (or the successor thereto if the ICE Benchmark Administration is no longer making a LIBOR Rate available) as an authorized vendor for the purpose of displaying such rates), and (d) in respect of SOFR Loans, Term SOFR for a one-month tenor in effect on such day plus 1.00%; provided, further, that if the Alternate Base Rate determined in accordance with the foregoing shall be less than 1.00% (or in respect of SOFR Loans, 1.50%), the Alternate Base Rate shall be deemed to be 1.00% (or in respect of SOFR Loans, 1.50%) for all purposes of this Agreement. If the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the Administrative

Agent to obtain sufficient quotations in accordance with the terms of the definition thereof, the Alternate Base Rate shall be determined without regard to clause (b) of the preceding sentence until the circumstances giving rise to such inability no longer exist. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate ~~or~~, the Adjusted LIBOR Rate or Term SOFR shall be effective on the effective date of such change in the Prime Rate, the Federal Funds Effective Rate ~~or~~, the Adjusted LIBOR Rate, or Term SOFR, as the case may be.

“Applicable Discount”: as defined in Section 4.4(h)(iii)(2).

“Applicable ECF Amount”: as defined in Section 4.4(b)(iii)(A)(1).

“Applicable Margin”: (~~tt~~) with respect to all periods prior to but not including the First Incremental Amendment Effective Date, the rate(s) per annum as in effect from time to time under the Agreement prior to the First Incremental Amendment Effective Date, (~~vu~~) with respect to all periods commencing on and after the First Incremental Amendment Effective Date (~~a~~) with respect to any Eurodollar Loan that is a Tranche B Term Loan or a Tranche C Term Loan, 2.75% per annum and (~~b~~) with respect to any ABR Loan that is a Tranche B Term Loan, or a Tranche C Term Loan, 1.75% per annum, (~~wv~~) with respect to all periods commencing on and after the Fourth Amendment Closing Date, (~~a~~) with respect to any Eurodollar Loan that is a Tranche D Term Loan, 2.50% per annum and (~~b~~) with respect to any ABR Loan that is a Tranche D Term Loan, 1.50% per annum, (~~xw~~) with respect to all periods commencing on and after the Fifth Amendment Closing Date, (~~a~~) with respect to any Eurodollar Loan that is a Tranche E Term Loan, 2.25% per annum and (~~b~~) with respect to any ABR Loan that is a Tranche E Term Loan, 1.25% per annum, (~~yx~~) with respect to all periods commencing on and after the Seventh Amendment Closing Date, (~~a~~) with respect to any Eurodollar Loan that is a Tranche F Term Loan, 2.125% per annum and (~~b~~) with respect to any ABR Loan that is a Tranche F Term Loan, 1.125% ~~and~~, (~~zy~~) with respect to all periods commencing on and after the Eighth Amendment Closing Date, (~~a~~) with respect to any Eurodollar Loan that is a Tranche G Term Loan, 2.125% per annum and (~~b~~) with respect to any ABR Loan that is a Tranche G Term Loan, 1.125% and (z) with respect to all periods commencing on and after the Tenth Amendment Closing Date, (a) with respect to any SOFR Loan that is a Tranche H Term Loan, 3.00% per annum and (b) with respect to any ABR Loan that is a Tranche H Term Loan, 2.00%.

“Approved Commercial Bank”: a commercial bank with a consolidated combined capital and surplus of at least \$5.0 billion.

“Approved Fund”: as defined in Section 11.6(b)(ii)(E).

“Assignee”: as defined in Section 11.6(b)(i).

“Assignment and Acceptance”: an Assignment and Acceptance, substantially in the form of Exhibit E hereto.

“Attorney Costs”: all reasonable fees, expenses and disbursements of any law firm or other external legal counsel.

“Audited Financial Statements”: the audited consolidated balance sheet of the Borrower and its Subsidiaries for the fiscal year ended September 30, 2020 and the related consolidated statements of operations, shareholders’ equity and cash flows for such fiscal year, including the notes thereto.

“Available Tenor”: as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 4.7(f).

“Bail-In Action”: the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation”: with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Bankruptcy Proceeding”: as defined in Section 11.6(h)(iv).

“Benchmark”: initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 4.7(b).

“Benchmark Replacement”: the sum of: (a) the alternate benchmark rate (which may include Term SOFR) that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement to LIBOR Rate or Benchmark (as applicable) for U.S. dollar-denominated syndicated credit facilities and (b) the Benchmark Replacement Adjustment; provided that, if the Benchmark Replacement as so determined would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

“Benchmark Replacement Adjustment”: with respect to any replacement of LIBOR Rate or Benchmark (as applicable) with an Unadjusted Benchmark Replacement for each applicable Interest Period, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread

adjustment, for the replacement of such LIBOR Rate or Benchmark (as applicable) with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such LIBOR Rate or Benchmark (as applicable) with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Conforming Changes”: with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest and other administrative matters) that the Administrative Agent, in consultation with the Borrower, decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent, in consultation with the Borrower, decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent, in consultation with the Borrower, determines that no market practice for the administration of the Benchmark Replacement exists, in such other manner of administration as the Administrative Agent, in consultation with the Borrower, decides is reasonably necessary in connection with the administration of this Agreement).

“Benchmark Replacement Date”: the earlier to occur of the following events with respect to LIBOR or the then-current Benchmark (as applicable):

Section 1. in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of LIBOR Rate or such Benchmark (as applicable) permanently or indefinitely ceases to provide LIBOR Rate or all Available Tenors of such Benchmark (or such component thereof), as applicable; or

Section 2. in the case of clause (3) of the definition of “Benchmark Transition Event,” (i) in respect of the LIBOR Rate, the date of the public statement or publication of information referenced therein- and (ii) in respect of any Benchmark, the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks; provided that such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-



current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event”: the occurrence of one or more of the following events with respect to LIBOR or the then-current Benchmark, as applicable:

(1) a public statement or publication of information by or on behalf of the administrator of LIBOR Rate or any Benchmark (or the published component used in the calculation thereof) (as applicable) announcing that such administrator has ceased or will cease to provide LIBOR Rate or all Available Tenors of such Benchmark (as applicable), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR Rate or any Available Tenor of such Benchmark (or such component thereof) (as applicable);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR Rate or the administrator of the then-current Benchmark (or the published component used in the calculation thereof) (as applicable), the U.S. Federal Reserve System, a Relevant Governmental Body (solely in respect of the then-current Benchmark), an insolvency official with jurisdiction over the administrator for LIBOR Rate, a resolution authority with jurisdiction over the administrator for LIBOR Rate or such Benchmark (or such component), as applicable, or a court or an entity with similar insolvency or resolution authority over the administrator for LIBOR Rate or such Benchmark (or such component), as applicable, which states that the administrator of LIBOR Rate or such Benchmark (or such component), as applicable, has ceased or will cease to provide LIBOR Rate or cease to provide all Available Tenors of such Benchmark (or such component), as applicable, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR Rate or any Available Tenor of such Benchmark (or such component thereof) (as applicable); or

(3) (i) in respect of the LIBOR Rate, a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR Rate announcing that LIBOR Rate is no longer representative, and (ii) in respect of the then-current Benchmark, a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks.

For the avoidance of doubt, a “Benchmark Transition Event ” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).



“Benchmark Transition Start Date”: (a) in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication) and (b) in the case of an Early Opt-in Election, the date specified by the Administrative Agent or the Required Lenders, as applicable, by notice to the Borrower, the Administrative Agent (in the case of such notice by the Required Lenders) and the Lenders.

“Benchmark Unavailability Period”: (i) with respect to the LIBOR Rate, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR Rate and solely to the extent that LIBOR Rate has not been replaced with a Benchmark Replacement, the period (x) beginning at the time that such Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced LIBOR Rate for all purposes hereunder in accordance with Section 4.7 and (y) ending at the time that a Benchmark Replacement has replaced LIBOR Rate for all purposes hereunder pursuant to Section 4.7, (ii) with respect to any Benchmark, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.7 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.7.

“Beneficial Ownership Regulation”: 31 C.F.R. § 1010.230.

“Benefited Lender”: as defined in Section 11.7(a).

“BHC Act Affiliate”: in respect of a party, means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Board”: the Board of Governors of the Federal Reserve System.

“Board of Directors”: (1) with respect to a corporation, the board of directors of the corporation;

(2) with respect to a partnership, the board of directors of the general partner of the partnership; and

(3) with respect to any other Person, the board or committee of such Person serving a similar function.

“Borrower”: WMG Acquisition Corp., a Delaware corporation, and any successor in interest thereto.

“Borrower Materials”: as defined in Section 11.2(e).

“Borrower Offer of Specified Discount Prepayment”: the offer by the Borrower to make a voluntary prepayment of Term Loans at a specified discount to par pursuant to Section 4.4(h)(ii).

“Borrower Solicitation of Discount Range Prepayment Offers”: the solicitation by the Borrower of offers for, and the corresponding acceptance by a Lender of a voluntary prepayment of Term Loans at a specified range at a discount to par pursuant to Section 4.4(h)(iii).

“Borrower Solicitation of Discounted Prepayment Offers”: the solicitation by the Borrower of offers for, and the subsequent acceptance, if any, by a Lender of a voluntary prepayment of Term Loans at a discount to par pursuant to Section 4.4(h)(iv).

“Borrowing”: the borrowing of one Type of Loan of a single Tranche from all the Lenders having Initial Term Loan Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, Tranche H Commitments or other commitments of the respective Tranche on a given date (or resulting from a conversion or conversions on such date) having, in the case of Eurodollar Loans or a SOFR Borrowing, the same Interest Period.

“Business Day”: a day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to close, except that, when used in connection with a Eurodollar Loan, “Business Day” shall mean any Business Day on which dealings in Dollars between banks may be carried on in London, England and New York, New York.

“Capital Expenditures”: for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including in all events all amounts expended or capitalized under leases evidencing Capitalized Lease Obligations) by the Borrower and the Restricted Subsidiaries during such period that, in conformity with GAAP, are or are required to be included as capital expenditures on a consolidated statement of cash flows of the Borrower.

“Capital Stock”: (1) in the case of a corporation, capital stock; (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock; (3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and (4) any other interest or participation (including, without limitation, options, warrants or other equivalents) that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

“Capitalized Lease Obligation”: at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease or finance lease that would at such time be required to be capitalized and reflected as a liability on a balance sheet (excluding the footnotes thereto) in accordance with GAAP.

“Captive Insurance Subsidiary”: any Subsidiary of the Borrower that is subject to regulation as an insurance company (or any Subsidiary thereof).

“Cash Equivalents”: (1) U.S. dollars, pounds sterling, euros, or, in the case of any Foreign Subsidiary, such local currencies held by it from time to time in the ordinary course of business;

(2) securities issued or directly and fully and unconditionally guaranteed or insured by the government or any agency or instrumentality of the United States or any member nation of the European Union having maturities of not more than 12 months from the date of acquisition;

(3) certificates of deposit, time deposits and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, bankers’ acceptances with maturities not exceeding 12 months and overnight bank deposits, in each case, with any lender party to this Agreement, the Senior Revolving Credit Agreement or any other Credit Agreement or with any commercial bank having capital and surplus in excess of \$500,000,000;

(4) repurchase obligations for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper maturing within 12 months after the date of acquisition and having a rating of at least P-1 from Moody’s or A-1 from S&P;

(6) marketable short-term money market and similar securities having a rating of at least P-2 or A-2 from either Moody’s or S&P, respectively (or, if at any time neither Moody’s nor S&P shall be rating such obligations, an equivalent rating from another Rating Agency) and in each case maturing within 12 months after the date of creation thereof;

(7) investment funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (6) of this definition; and

(8) readily marketable direct obligations issued by any state of the United States or any political subdivision thereof having one of the two highest rating categories obtainable from either Moody’s or S&P with maturities of 12 months or less from the date of acquisition.

“Cash Management Obligations”: obligations owed by the Borrower or any of its Restricted Subsidiaries to any Lender or any Revolving Lender, or any financial institution that was a Lender or a Revolving Lender at the time of entering into the underlying bank products agreement, or any Affiliate of a Lender or a Revolving Lender, or any party to an underlying bank products agreement as of the Closing Date in respect of any overdraft and related liabilities from treasury, depository and cash management services or any automated clearing house transfers of funds, provided that any such bank product agreements are designated by the Borrower in writing to the Administrative Agent as being a “secured term loan bank products agreement” as of the Closing Date or, if later, as of the time of the entering into of such bank products agreement.

“Change in Law”: as defined in Section 4.11(a)(vii).

“Change of Control”: the occurrence of any of the following:

(a) the sale, lease, transfer or other conveyance, in one or a series of related transactions, of all or substantially all of the assets of the Borrower and its Subsidiaries, taken as a whole, to any Person other than a Permitted Holder;

(b) (x) the Permitted Holders shall in the aggregate be the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on June 29, 2020) of (A) so long as the Borrower is a Subsidiary of any Parent, shares or units of Voting Stock having less than 35.0% of the total voting power of all outstanding shares of such Parent (other than a Parent that is a Subsidiary of another Parent) and (B) if the Borrower is not a Subsidiary of any Parent, shares or units of Voting Stock having less than 35.0% of the total voting power of all outstanding shares of the Borrower and (y) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on June 29, 2020), other than one or more Permitted Holders, shall be the “beneficial owner” of (A) so long as the Borrower is a Subsidiary of any Parent, shares or units of Voting Stock having more than 35.0% of the total voting power of all outstanding shares of such Parent (other than a Parent that is a Subsidiary of another Parent) and (B) if the Borrower is not a Subsidiary of any Parent, shares or units of Voting Stock having more than 35.0% of the total voting power of all outstanding shares of the Borrower; or

(c) the Borrower ceasing to be a directly or indirectly Wholly Owned Subsidiary of Holdings.

For the purpose of this definition, with respect to any sale, lease, transfer conveyance or other disposition of properties or assets in connection with any acquisition (including any acquisition by means of a merger or consolidation with or into the Borrower or any Restricted Subsidiary), the determination of whether such sale, lease, transfer, conveyance or disposition constitutes a sale of all or substantially all of the properties or assets of the Borrower and its Subsidiaries taken as a whole shall be made on a pro forma basis giving effect to such acquisition.

“Claim”: as defined in Section 11.6(h)(iv).

“Closing Date”: November 1, 2012.

“Code”: the United States Internal Revenue Code of 1986, as amended from time to time.

“Collateral”: all assets of Holdings or the Loan Parties, now owned or hereafter acquired, upon which a Lien is purported to be created by any Security Document.

“Collateral Agent”: Credit Suisse AG as Collateral Agent under the Security Documents and shall include any successor to the Collateral Agent appointed pursuant to the terms of the Security Agreement.

“Commitment”: ~~(u)~~ as to any Tranche B Term Lender, the Tranche B Term Loan Commitment of such Lender, ~~(v)~~ as to any Tranche C Term Lender, the Tranche C Term Loan Commitment of such Lender, ~~(w)~~ as to any Tranche D Term Lender, the Tranche D Term Loan Commitment of such Lender, ~~(x)~~ as to any Tranche E Term Lender, the Tranche E Term Loan Commitment of such Lender, ~~(y)~~ as to any Tranche F Term Lender, the Tranche F Term Loan Commitment of such Lender and ~~(z)~~ as to any Tranche G Term Lender, the Tranche G Term Loan Commitment of such Lender and (z) as to any Tranche H Term Lender, the Tranche H Term Loan Commitment of such Lender.

“Commitment Fee”: as defined in Section 4.5(d).

“Commodities Agreement”: in respect of a Person, any commodity futures contract, forward contract, option or similar agreement or arrangement (including derivative agreements or arrangements), as to which such Person is a party or beneficiary.

“Compliance Certificate”: as defined in Section 7.2(b).

“Conduit Lender”: any special purpose corporation organized and administered by any Lender for the purpose of making Loans otherwise required to be made by such Lender and designated by such Lender in a written instrument delivered to the Administrative Agent (a copy of which shall be provided by the Administrative Agent to the Borrower on request); provided that the designation by any Lender of a Conduit Lender shall not relieve the designating Lender of any of its obligations under this Agreement, including its obligation to fund a Term Loan if, for any reason, its Conduit Lender fails to fund any such Loan, and the designating Lender (and not the Conduit Lender) shall have the sole right and responsibility to deliver all consents and waivers required or requested under this Agreement with respect to its Conduit Lender, and provided, further, that no Conduit Lender shall (a) be entitled to receive any greater amount pursuant to any provision of this Agreement, including Section 4.10, 4.11, 4.12 or 11.5, than the designating Lender would have been entitled to receive in respect of the extensions of credit made by such Conduit Lender if such designating Lender had not designated such Conduit Lender hereunder, (b) be deemed to have any Initial Term Loan Commitment, Tranche B Term Loan Commitment, Tranche C Term Loan Commitment, Tranche D Term Loan Commitment, Tranche E Term Loan Commitment, Tranche F Term Loan Commitment ~~or~~, Tranche G Term Loan Commitment or Tranche H Term Loan Commitment or (c) be designated if such designation would otherwise increase the costs of any Facility to the Borrower.

“Consolidated Depreciation and Amortization Expense”: with respect to any Person for any period, the total amount of depreciation and amortization expense, including the amortization of deferred financing fees and other non-cash charges (excluding any non-cash item that represents an accrual or reserve for a cash expenditure for a future period) of such Person and its Restricted Subsidiaries for such period on a consolidated basis and otherwise determined in accordance with GAAP.

“Consolidated Interest Expense”: with respect to any Person for any period, the sum, without duplication, of: (a) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, to the extent such expense was deducted (and not added back) in computing Consolidated Net Income for such period (including (x) amortization of original issue

discount, non-cash interest payments (other than imputed interest as a result of purchase accounting and any non-cash interest expense attributable to the movement in the mark-to-market valuation of Hedging Obligations or other derivative instruments pursuant to GAAP), the interest component of Capitalized Lease Obligations, and net payments (if any) pursuant to interest rate Hedging Obligations, but excluding (y) amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses, expensing of any bridge, commitment or other financing fees, penalties and interest relating to taxes and any "special interest" or "additional interest" with respect to other securities, and any accretion of accrued interest on discounted liabilities) and (b) consolidated capitalized interest of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, less (c) interest income of such Person for such period; provided, however, that neither Securitization Fees nor Securitization Expenses shall be deemed to constitute Consolidated Interest Expense.

"Consolidated Net Income": with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; provided, however, that

(1) any net after-tax extraordinary, unusual, nonrecurring, exceptional, special or infrequent gains, losses or charges (including, without limitation, severance, relocation, transition and other restructuring costs, charges or expenses (whether or not classified as restructuring costs, charges or expenses on the consolidated financial statements of the Borrower), Public Company Costs, and any fees, expenses or charges associated with the Transactions or the 2011 Transactions, a Qualifying IPO and any follow-on offering and any acquisition, merger or consolidation after the Closing Date) shall be excluded;

(2) the Net Income for such period shall not include the cumulative effect of a change in accounting principle(s) during such period;

(3) any net after-tax income (loss) from disposed or discontinued operations and any net after-tax gains or losses on disposal of disposed or discontinued operations shall be excluded;

(4) net after-tax gains or losses attributable to asset dispositions other than in the ordinary course of business (as determined in good faith by the Board of Directors of such Person) shall be excluded;

(5) the Net Income for such period of any Person that is not the referent Person or a Subsidiary thereof, or that is an Unrestricted Subsidiary of the referent Person, or that is accounted for by the equity method of accounting, shall be excluded; provided that, to the extent not already included, Consolidated Net Income of the referent Person shall be increased by the amount of dividends or distributions or other payments that are actually paid in cash (or to the extent converted into cash) to the referent Person or a Restricted Subsidiary thereof in respect of such period;

(6) [reserved];

(7) [reserved];

(8) any non-cash impairment charges resulting from the application of ASC 350 and ASC 360 (formerly Financial Accounting Standards Board Statement Nos. 142 and 144, respectively) and the amortization of intangibles arising from the application of ASC 805 (formerly Financial Accounting Standards Board Statement No. 141), shall be excluded;

(9) non-cash compensation charges, including any such charges arising from stock options, restricted stock grants or other equity-incentive programs shall be excluded;

(10) any net after-tax gains or losses attributable to the early extinguishment of Indebtedness, Hedging Obligations or other derivative instruments shall be excluded;

(11) any fees, expenses or charges incurred during such period, or any amortization thereof for such period, in connection with any acquisition, investment, asset sale, incurrence or repayment of Indebtedness, issuance of Equity Interests, refinancing transaction or amendment or modification of any debt instrument and including, in each case, any such transaction consummated prior to the Closing Date and any such transaction undertaken but not completed, and any charges or non-recurring merger costs incurred during such period as a result of any such transaction, in each case whether or not successful, shall be excluded;

(12) accruals and reserves that are established within twelve months after the Closing Date that are so required to be established as a result of the Transactions or the 2011 Transactions (or within twelve months after the closing of any acquisition that are so required to be established as a result of such acquisition) in accordance with GAAP shall be excluded;

(13) to the extent covered by insurance and actually reimbursed, or, so long as such Person has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (a) not denied by the applicable carrier in writing within 180 days and (b) in fact reimbursed within 365 days of the date of the insurable event (with a deduction for any amount so added back to the extent not so reimbursed within such 365-day period), expenses with respect to liability or casualty events or business interruption shall be excluded;

(14) any non-cash gain or loss resulting from mark-to-market accounting relating to Hedging Obligations or other derivative instruments shall be excluded;

(15) any unrealized currency translation gains or losses including those related to currency remeasurements of Indebtedness (including any loss or gain resulting from Hedging Obligations for currency exchange risk) shall be excluded;

(16) without duplication, the amount of any restructuring charges or reserves (which, for the avoidance of doubt, shall include retention, severance, systems establishment cost, excess pension charges, contract termination costs, including future lease commitments, and costs to consolidate facilities and relocate employees) shall be excluded;

(17) without duplication, any net loss resulting from Hedge Agreements shall be excluded;

(18) without duplication, pension curtailment expenses, transaction costs and executive contract expenses incurred by affiliated entities of such Person (other than such Person and its Subsidiaries) on behalf of such Person or any of its Subsidiaries and reflected in the combined financial statements of such Person as capital contributions shall be excluded; and

(19) business optimization expenses (including consolidation initiatives, severance costs and other costs relating to initiatives aimed at profitability improvement) shall be excluded.

“Consolidated Tangible Assets”: with respect to any Person, the consolidated total assets of such Person and its Restricted Subsidiaries determined in accordance with GAAP, less all goodwill, trade names, trademarks, patents, organization expense and other similar intangibles properly classified as intangibles in accordance with GAAP, in each case reflected on the consolidated balance sheet of such Person as of the end of the most recently ended fiscal quarter of such Person for which such a balance sheet is available (or, if earlier, was required to be delivered pursuant to Section 7.1(a) or (b)) (and, in the case of any determination relating to any incurrence of Indebtedness or any investment, on a pro forma basis including any property or assets being acquired in connection therewith). Unless the context otherwise requires, “Consolidated Tangible Assets” shall mean the Consolidated Tangible Assets of the Borrower.

“Consolidated Working Capital”: at any date, the excess of (a) the sum of all amounts (other than cash, Cash Equivalents and Investment Grade Securities) that would, in conformity with GAAP, be set forth opposite the caption “total current assets” (or any like caption) on a consolidated balance sheet of the Borrower at such date excluding the current portion of current and deferred income taxes over (b) the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption “total current liabilities” (or any like caption) on a consolidated balance sheet of the Borrower on such date, including deferred revenue but excluding, without duplication, (i) the current portion of any Funded Debt, (ii) all Indebtedness consisting of Loans to the extent otherwise included therein, (iii) the current portion of interest and (iv) the current portion of current and deferred income taxes.

“Consolidation”: the consolidation of the accounts of each of the Restricted Subsidiaries with those of the Borrower in accordance with GAAP; provided that “Consolidation” will not include consolidation of the accounts of any Unrestricted Subsidiary, but the interest of the Borrower or any Restricted Subsidiary in any Unrestricted Subsidiary will be accounted for as an investment. The term “Consolidated” has a correlative meaning.

“Contingent Obligations”: means, with respect to any Person, any obligation of such Person guaranteeing any leases, dividends or other obligations that do not constitute Indebtedness (“primary obligations”) of any other Person (the “primary obligor”) in any manner,



whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor or (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

“Contract Consideration”: as defined in Section 4.4(b)(iii)(A)(2).

“Contractual Obligation”: as to any Person, any provision of any material security issued by such Person or of any material agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control”: as defined in the definition of “Affiliate.”

“Covenant Suspension Event”: as defined in Section 8.9.

“Covered Entity”: any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Indebtedness”: as defined in Section 11.1(i).

“Covered Party”: as defined in Section 11.22(b).

“Credit Agreement”: (a) this Agreement, (b) the Senior Revolving Credit Facility and (c) if so designated by the Borrower, and so long as Indebtedness incurred thereunder does not constitute Subordinated Indebtedness, one or more debt facilities, commercial paper facilities or series of notes documented in one or more agreements or indentures, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, as each may be amended, restated, supplemented, modified, renewed, refunded, replaced or refinanced (in whole or in part) from time to time in one or more agreements or indentures (in each case with the same or new lenders or institutional investors or otherwise, and except for any such agreement or indenture that expressly provides that it is not a Credit Agreement), including any agreement or indenture extending the maturity thereof or otherwise restructuring all or any portion of the Indebtedness thereunder or increasing the amount loaned or issued thereunder or altering the maturity thereof.

“Cured Default”: as defined in Section 1.2(b).

“Currency Agreement”: in respect of a Person, any foreign exchange contract, currency swap agreement or other similar agreement or arrangements (including derivative agreements or arrangements), as to which such Person is a party or a beneficiary.

“Default”: any of the events specified in Section 9.1, whether or not any requirement for the giving of notice (other than, in the case of Section 9.1(e), a Default Notice), the lapse of time, or both, or any other condition specified in Section 9.1, has been satisfied.

“Default Notice”: as defined in Section 9.1(e).

“Default Right”: the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Agent”: any Agent whose acts or failure to act, whether directly or indirectly, cause it to meet any part of the definition of “Agent Default”.

“Defaulting Lender”: a Tranche B Term Lender, Tranche C Term Lender, Tranche D Term Lender, Tranche E Term Lender, Tranche F Term Lender ~~or~~, Tranche G Term Lender or Tranche H Term Lender that (a) has defaulted in its obligation to make a Loan required to be made by it hereunder, (b) has notified the Administrative Agent or a Loan Party in writing that it does not intend to satisfy any such obligation, (c) has admitted in writing that it is insolvent or such Lender becomes subject to a Lender-Related Distress Event or (d) has, or has a direct or indirect parent company, that has, become the subject of a Bail-In Action.

“Designation Date”: as defined in Section 2.8(f).

“Discount Prepayment Accepting Lender”: as defined in Section 4.4(h)(ii)(2).

“Discount Range”: as defined in Section 4.4(h)(iii)(1).

“Discount Range Prepayment Amount”: as defined in Section 4.4(h)(iii)(1).

“Discount Range Prepayment Notice”: a written notice of the Borrower Solicitation of Discount Range Prepayment Offers made pursuant to Section 4.4(h) substantially in the form of Exhibit K.

“Discount Range Prepayment Offer”: the irrevocable written offer by a Lender, substantially in the form of Exhibit L, submitted in response to an invitation to submit offers following the Administrative Agent’s receipt of a Discount Range Prepayment Notice.

“Discount Range Prepayment Response Date”: as defined in Section 4.4(h)(iii)(1).

“Discount Range Proration”: as defined in Section 4.4(h)(iii)(3).

“Discounted Prepayment Determination Date”: as defined in Section 4.4(h)(iv)(3).

“Discounted Prepayment Effective Date”: in the case of a Borrower Offer of Specified Discount Prepayment, Borrower Solicitation of Discount Range Prepayment Offers or Borrower Solicitation of Discounted Prepayment Offers, or otherwise, five Business Days following the receipt by each relevant Lender of notice from the Administrative Agent in

accordance with Section 4.4(h)(ii), Section 4.4(h)(iii) or Section 4.4(h)(iv), as applicable unless a shorter period is agreed to between the Borrower and the Administrative Agent.

“Discounted Term Loan Prepayment”: as defined in Section 4.4(h)(i).

“Disqualified Institution”: (i) any Person that is a competitor of the Borrower and its Restricted Subsidiaries and that is in the same or a similar line of business as the Borrower and its Restricted Subsidiaries, which Person has been designated in writing by the Borrower to the Administrative Agent and the Lenders, from time to time, upon three Business Days’ prior notice, (ii) any Person designated in writing by the Borrower or the Sponsor to the Administrative Agent on or prior to January 20, 2021, (iii) in the case of clause (i) above, any affiliate of such Person that is either (x) designated in writing by the Borrower to the Administrative Agent and the Lenders or (y) clearly identifiable on the basis of such affiliate’s name (other than any such affiliate that is a bank, financial institution or fund that regularly invests in commercial loans or similar extensions of credit in the ordinary course of business and has no personnel who (A) make investment decisions or (B) have access to non-public information relating to the Borrower and its Subsidiaries or any other person that forms part of the Borrower’s business), or (iv) any Lender that has made an incorrect representation or warranty or deemed representation or warranty with respect to not being a Net Short Lender as provided in Section 11.1(i). Notwithstanding the ability of the Borrower to supplement the list of Disqualified Institutions, no such supplement or other modification shall be given retroactive effect. The identity of Disqualified Institutions may be communicated by the Administrative Agent to a Lender upon written request, but will not be otherwise posted or distributed to any Person.

“Disqualified Institution List”: any list of Disqualified Institutions.

“Disqualified Stock”: with respect to any Person, any Capital Stock of such Person which, by its terms (or by the terms of any security into which it is convertible or for which it is putable or exchangeable), or upon the happening of any event, matures or is mandatorily redeemable (other than as a result of a change of control or asset sale), pursuant to a sinking fund obligation or otherwise, or is redeemable at the option of the holder thereof (other than as a result of a change of control or asset sale), in whole or in part, in each case, (x) to the extent Tranche G Term Loans remain outstanding but Tranche H Term Loans are no longer outstanding, prior to the date 91 days after the earlier of the Tranche G Term Loan Maturity Date or the date the Tranche G Term Loans are no longer outstanding or (y) to the extent Tranche H Term Loans remain outstanding, prior to the date 91 days after the earlier of the Tranche H Term Loan Maturity Date or the date the Tranche H Term Loans are no longer outstanding; provided, however, that if such Capital Stock is issued to any plan for the benefit of employees of the Borrower, any of its Subsidiaries or any of its direct or indirect parent companies or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Borrower, any of its Subsidiaries or any of its direct or indirect parent companies in order to satisfy applicable statutory or regulatory obligations; provided, further, that any Capital Stock held by any future, current or former employee, director, officer, manager or consultant of the Borrower, any of its Subsidiaries or any of its direct or indirect parent companies, or their respective estates, spouses and former spouses, in each case pursuant to any stock subscription or shareholders’ agreement, management equity

plan or stock option plan or any other management or employee benefit plan or agreement, shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Borrower or any of its Subsidiaries, any of its direct or indirect parent companies or any employee investment vehicles.

“Division”: as defined in Section 1.2(i).

“Dollars” and “\$”: dollars in lawful currency of the United States of America.

“Domestic Subsidiary”: any Subsidiary of the Borrower which is not a Foreign Subsidiary.

“Early Opt-in Election”: the occurrence of:

(1) (i) a determination by the Administrative Agent, (ii) a notification by the Borrower to the Administrative Agent that the Borrower and the Required Lenders have determined or (iii) a notification by the Required Lenders to the Administrative Agent (with a copy to the Borrower) that the Required Lenders have determined, in each case, that U.S. dollar-denominated syndicated credit facilities being executed at such time, or that include language similar to that contained in Section 4.7, are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace LIBO Rate, and

(2) (i) the election by the Administrative Agent, (ii) the election by the Borrower and the Required Lenders, or (iii) the election by the Required Lenders, in each case, to declare that an Early Opt-in Election has occurred and the provision, as applicable, by the Administrative Agent of written notice of such election to the Borrower and the Lenders, by the Borrower of written notice of such election to the Administrative Agent or by the Required Lenders of written notice of such election to the Administrative Agent.

“EBITDA”: with respect to any Person for any period, the Consolidated Net Income of such Person for such period

(w) increased (without duplication) by the following, in each case to the extent deducted (and not added back) in calculating Consolidated Net Income for such period:

(1) provision for taxes based on income, profits or capital, plus franchise or similar taxes of such Person,

(2) Consolidated Interest Expense of such Person, plus amounts excluded from the calculation of Consolidated Interest Expense as set forth in subclause (y) of clause (a) in the definition thereof,

(3) Consolidated Depreciation and Amortization Expense of such Person for such period,

(4) [reserved],

(5) without duplication, any other non-cash charges (including any impairment charges and the impact of purchase accounting, including, but not limited to, the amortization of inventory step-up) (provided that, in the case of any such charge that represents an accrual or reserve for a cash expenditure for a future period, the cash payment in respect thereof in such future period shall be subtracted from EBITDA),

(6) the amount of any minority interest expense consisting of Subsidiary income attributable to minority equity interests of third parties in any non-Wholly Owned Subsidiary,

(7) [reserved],

(8) the amount of management, monitoring, consulting and advisory fees and related expenses paid to the Sponsor and its Affiliates (or any accruals relating to such fees and related expenses), and any dividend or distribution made to any direct or indirect parent company of such Person intended to enable any such parent company to pay or cause to be paid such amount, during such period,

(9) Securitization Fees and Securitization Expenses,

(10) [reserved],

(11) [reserved], and

(12) any costs or expenses incurred by such Person or a Restricted Subsidiary thereof pursuant to any management equity plan or stock option plan or any other management or employee benefit plan, agreement or any stock subscription or shareholder agreement, to the extent that such cost or expenses are funded with cash proceeds contributed to the capital of such Person or net cash proceeds of an issuance of Equity Interest of such Person (other than Disqualified Stock);

(x) increased by the amount of net cost savings, operating expense reductions and synergies (including revenue synergies, those related to new business and customer wins, the modifications or renegotiation of contracts and other arrangements and pricing adjustments and increases (in each case, net of any costs or expenses to implement or achieve the foregoing)) projected by such Person in good faith to result from actions taken or expected to be taken no later than twenty-four (24) months after the end of such period (calculated on a pro forma basis as though such cost savings, reductions and synergies had been realized on the first day of the period for which EBITDA is being determined), net of the amount of actual benefits realized during such period from such actions; provided that such cost savings, reductions and synergies are reasonably identifiable;

(y) increased by, without duplication of any item in the preceding clauses (w) or (x), additions identified in any quality of earnings analysis prepared by independent certified public accountants of nationally recognized standing and delivered to the Administrative Agent in connection with any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Borrower or any Restricted Subsidiary, or any other similar investment, in each case that is permitted under this Agreement; and

(z) decreased (without duplication) by the following, in each case to the extent included in calculating Consolidated Net Income for such period:

(1) non-cash gains increasing Consolidated Net Income of such Person for such period (excluding any non-cash gains which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges or asset valuation adjustments made in any prior period), and

(2) any net gain resulting from Hedging Obligations.

“ECF CNI”: with respect to the Borrower for any period, the aggregate of the Net Income of the Borrower and its Restricted Subsidiaries for such period, on a consolidated basis, and otherwise determined in accordance with GAAP; provided, however, that in calculating ECF CNI for any period, there shall be excluded, without duplication, (a) the Net Income of any Person accrued prior to the date it becomes a Restricted Subsidiary of the Borrower or is merged into or consolidated with the Borrower or any of its Restricted Subsidiaries, (b) the Net Income (but not loss) of any Person (other than a Restricted Subsidiary) in which the Borrower or a Restricted Subsidiary has an ownership interest (including any joint venture), except to the extent that any such Net Income is actually received by the Borrower or such Restricted Subsidiary in the form of dividends or similar distributions (which dividends or distributions shall be included in the calculation of ECF CNI), (c) the Net Income (but not loss) of any Restricted Subsidiary (other than a Loan Party) for any period to the extent that, during such period, there exists any encumbrance or restriction on the ability of such Restricted Subsidiary to pay dividends or make distributions in cash on the Equity Interests of such Restricted Subsidiary held by the Borrower and its Restricted Subsidiaries, except to the extent that any such Net Income is actually received by the Borrower or a Restricted Subsidiary that is not itself subject to any such encumbrance or restriction, in the form of dividends or similar distributions (which dividends or distributions shall be included in the calculation of ECF CNI), (d) to the extent not already excluded or deducted as minority interest expense in accordance with GAAP, payments made in respect of minority interests of third parties in any non-Wholly Owned Restricted Subsidiary or joint venture in such period, including pursuant to dividends declared or paid on Equity Interests held by third parties in respect of such non-Wholly Owned Restricted Subsidiary or joint venture and (e) the cumulative effect of any change in accounting principles during such period, in each case as determined in accordance with GAAP.

“ECF Payment Date”: as defined in Section 4.4(b)(iii).

“EEA Financial Institution”: (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition and is subject to the supervision of an EEA Resolution Authority, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision of an EEA Resolution Authority with its parent.

“EEA Member Country”: any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority”: any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eighth Amendment”: the Sixth Incremental Commitment Amendment, dated as of January 20, 2021, by and among the Borrower, the other Loan Parties party thereto, Holdings, the Tranche G Term Lender party thereto and the Administrative Agent.

“Eighth Amendment Closing Date”: the date on which all the conditions precedent set forth in Section 3 of the Eighth Amendment shall be satisfied or waived.

“Engagement Letter”: the Engagement Letter, dated as of October 16, 2012, among Credit Suisse Securities (USA) LLC, Barclays Bank PLC, UBS Securities LLC, Macquarie Capital (USA) Inc., Nomura Securities International, Inc. and the Borrower, as amended, supplemented, waived or otherwise modified from time to time.

“Environmental Laws”: any and all Federal, state, local, and foreign statutes, laws (statutory, common or otherwise), regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

“Environmental Permits”: any permit, approval, identification number, license or other authorization required under any Environmental Law.

“Equity Interests”: Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“ERISA”: the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate”: any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

“ERISA Event”: (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a “substantial employer” (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization (within the meaning of Section 4241 of ERISA); (d) the filing of a notice to terminate, the treatment of a Plan amendment as a termination under Sections 4041 or 4041A of ERISA (other than, in each case, a standard termination), or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) the appointment of a trustee

to administer any Pension Plan or Multiemployer Plan; or (f) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Borrower or any ERISA Affiliate.

“Ethically Screened Affiliate”: any Affiliate of a Person that (i) is managed as to day-to-day matters (but excluding, for the avoidance of doubt, as to strategic direction and similar matters) independently from such Person and any other Affiliate of such Person that is not an Ethically Screened Affiliate, (ii) has in place customary information screens between it and such Person and any other Affiliate of such Person that is not an Ethically Screened Affiliate and (iii) such Person or any other Affiliate of such Person that is not an Ethically Screened Affiliate does not direct or cause the direction of the investment policies of such entity, nor does such Person’s or any such other Affiliate’s investment decisions influence the investment decisions of such entity.

“EU Bail-In Legislation Schedule”: the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Eurodollar”: when used in reference to any Loan or Borrowing, refers to when such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBOR Rate.

“Eurodollar Loans”: Loans the rate of interest applicable to which is based upon the Adjusted LIBOR Rate.

“Event of Default”: any of the events specified in Section 9.1, provided that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

“Excess Cash Flow”: for any period, an amount equal to the excess of

(a) the sum, without duplication, of

(i) ECF CNI for such period,

(ii) an amount equal to the amount of all non-cash charges to the extent deducted in calculating such ECF CNI and cash receipts to the extent excluded in calculating such ECF CNI (except to the extent such cash receipts are attributable to revenue or other items that would be included in calculating ECF CNI for any prior period),

(iii) decreases in Consolidated Working Capital for such period (other than any such decreases arising from any acquisition or disposition of (a) any business unit, division, line of business or Person or (b) any assets other than in the ordinary course of business (each, an “Acquisition” or “Disposition”, respectively) by the Borrower and the Restricted Subsidiaries completed during such period, or from the application of purchase accounting),



(iv) an amount equal to the aggregate net non-cash loss on asset sales or other dispositions by the Borrower and the Restricted Subsidiaries during such period (other than any asset sale or other disposition in the ordinary course of business) to the extent deducted in calculating such ECF CNI, and

(v) cash receipts in respect of Hedge Agreements during such period to the extent not otherwise included in calculating such ECF CNI,

provided that any amount excluded from such ECF CNI pursuant to any of clauses (a) through (e) of the definition thereof shall not be added pursuant to this clause (a),

over (b) the sum, without duplication, of

(i) an amount equal to the amount of all non-cash credits included in calculating such ECF CNI and cash charges to the extent not deducted in calculating such ECF CNI,

(ii) [reserved],

(iii) the aggregate amount of all principal payments, purchases or other retirements of Indebtedness of the Borrower and the Restricted Subsidiaries (including (A) the principal component of payments in respect of Capitalized Lease Obligations, (B) [reserved] and (C) the amount of voluntary prepayments of Term Loans made pursuant to Section 4.4(h) (in an amount equal to the discounted amount actually paid in respect of the principal amount of such Term Loans), but excluding (w) all other prepayments of Term Loans, (x) all prepayments of loans under the Senior Revolving Credit Facility, (y) all prepayments of any other revolving loans (other than Pari Passu Indebtedness), to the extent there is not an equivalent permanent reduction in commitments thereunder and (z) all voluntary prepayments, scheduled principal payments and mandatory “excess cash flow” prepayments that are applied pro rata to the Term Loans, in each case of Pari Passu Indebtedness made during such period), except to the extent financed with the proceeds of long term Indebtedness of the Borrower or the Restricted Subsidiaries or the proceeds of the issuance (or contribution in respect of) Equity Interests of the Borrower,

(iv) an amount equal to the aggregate net non-cash gain on asset sales or other dispositions by the Borrower and the Restricted Subsidiaries during such period (other than any asset sale or other disposition in the ordinary course of business) to the extent included in calculating such ECF CNI,

(v) increases in Consolidated Working Capital for such period (other than any such increases arising from any Acquisition or Disposition by the Borrower and the Restricted Subsidiaries completed during such period or from the application of purchase accounting),

(vi) cash payments by the Borrower and the Restricted Subsidiaries during such period in respect of long-term liabilities of the Borrower and the Restricted Subsidiaries other than Indebtedness, to the extent such payments are not expensed in such period or are not already deducted in calculating such ECF CNI,

(vii) [reserved],

(viii) [reserved],

(ix) the aggregate amount of expenditures actually made by the Borrower and the Restricted Subsidiaries in cash during such period (including expenditures for the payment of financing fees) to the extent that such expenditures are not expensed during such period and are not deducted in calculating such ECF CNI, except to the extent that such expenditures were financed with the proceeds of long-term Indebtedness of the Borrower or the Restricted Subsidiaries (unless such Indebtedness has been repaid) or the proceeds of the issuance (or contribution in respect of) Equity Interests of the Borrower,

(x) the aggregate amount of any premium, make-whole or penalty payments actually paid in cash by the Borrower and the Restricted Subsidiaries during such period that are made in connection with any prepayment of Indebtedness to the extent that such payments are not expensed in such period or are not deducted in calculating such ECF CNI,

(xi) [reserved],

(xii) the amount of taxes (including penalties and interest) paid in cash or tax reserves set aside or payable (without duplication) in such period to the extent they exceed the amount of tax expense deducted in calculating such ECF CNI,

(xiii) cash expenditures in respect of Hedge Agreements during such period to the extent not deducted in calculating such ECF CNI;

(xiv) the amount of cash payments made in respect of pensions and other post-employment benefits in such period to the extent not deducted in calculating such ECF CNI; and

(xv) at the Borrower's election, without duplication of amounts deducted from Excess Cash Flow in prior periods, non cash expenses under an equity plan to the extent not deducted in calculating ECF CNI (or deducted but added back under clause (a) of this definition) (it being understood that (x) no deduction shall be allowed at the time of the related cash payment to the extent the Borrower has previously elected to deduct such expenses under this clause and (y) to the extent such related cash payment does not occur by the expected time therefor under such equity plan (as determined by the Borrower in good faith), Excess Cash Flow shall be increased by the related expenses deducted under this clause).

“Exchange Act”: the Securities Exchange Act of 1934, as amended from time to time.

“Excluded Affiliate”: as defined in Section 11.1(i).

“Excluded Assets”: as defined in the Security Agreement.

“Excluded Information”: as defined in Section 4.4(h)(i).

“Excluded Subsidiaries”: as defined in Section 7.12(a).

“Excluded Taxes”: (a) any Taxes measured by or imposed upon the net income of any Agent or Lender or its applicable lending office, or any branch or affiliate thereof, and all franchise Taxes, branch Taxes, Taxes on doing business or Taxes measured by or imposed upon the overall capital or net worth of any such Agent or Lender or its applicable lending office, or any branch or affiliate thereof, in each case imposed: (i) by the jurisdiction under the laws of which such Agent or Lender, applicable lending office, branch or affiliate is organized or is located, or in which its principal executive office is located, or any nation within which such jurisdiction is located or any political subdivision thereof; or (ii) by reason of any connection between the jurisdiction imposing such Tax and such Agent or Lender, applicable lending office, branch or affiliate other than a connection arising solely from such Agent or Lender having executed, delivered or performed its obligations under, or received payment under or enforced, this Agreement or any Notes, and (b) any Taxes imposed by FATCA.

“Existing Indebtedness”: Indebtedness of the Borrower or any of its Subsidiaries (other than Indebtedness hereunder) in existence on the Closing Date, including the Existing Unsecured Notes.

“Existing Term Loans”: as defined in Section 2.8(a).

“Existing Term Tranche”: as defined in Section 2.8(a).

“Existing Unsecured Indenture”: that certain indenture dated as of July 20, 2011 by and between the Borrower and Wells Fargo Bank, National Association, as agent (as amended, amended and restated, supplemented, waived or modified from time to time).

“Existing Unsecured Notes”: the Borrower’s 11.5% Senior Notes due 2018, issued pursuant to the Existing Unsecured Indenture, outstanding on the Closing Date or subsequently issued in exchange for or in respect of any such notes.

“Extended Term Loans”: as defined in Section 2.8(a).

“Extended Term Tranche”: as defined in Section 2.8(a).

“Extending Lender”: as defined in Section 2.8(b).

“Extension”: as defined in Section 2.8(b).

“Extension Amendment”: as defined in Section 2.8(c).

“Extension Date”: as defined in Section 2.8(d).

“Extension Election”: as defined in Section 2.8(b).

“Extension of Credit”: as to any Lender, the making of a Term Loan.

“Extension Request”: as defined in Section 2.8(a).

“Extension Series”: all Extended Term Loans that are established pursuant to the same Extension Amendment (or any subsequent Extension Amendment to the extent such Extension Amendment expressly provides that the Extended Term Loans provided for therein are intended to be part of any previously established Extension Series) and that provide for the same interest margins and amortization schedule.

“Facility”: each of (a) the Initial Term Loan Commitments and the Extensions of Credit made thereunder (the “Initial Term Loan Facility”), (b) the Tranche B Term Loan Commitments and the Extensions of Credit made thereunder (the “Tranche B Term Loan Facility”), (c) the Tranche C Term Loan Commitments and the Extensions of Credit made thereunder (the “Tranche C Term Loan Facility”), (d) the Tranche D Term Loan Commitments and the Extensions of Credit made thereunder (the “Tranche D Term Loan Facility”), (e) the Tranche E Term Loan Commitments and the Extensions of Credit made thereunder (the “Tranche E Term Loan Facility”), (f) the Tranche F Term Loan Commitments and the Extensions of Credit made thereunder (the “Tranche F Term Loan Facility”), (g) the Tranche G Term Loan Commitments and the Extensions of Credit made thereunder (the “Tranche G Term Loan Facility”) ~~and~~, (h) the Tranche H Term Loan Commitments and the Extensions of Credit made thereunder (the “Tranche H Term Loan Facility”) and (i) any other committed facility hereunder and the Extensions of Credit made thereunder.

“FATCA”: Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code and any applicable legislation, regulations or other official guidance adopted by a Governmental Authority pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code.

“Federal District Court”: as defined in Section 11.13(a).

“Federal Funds Effective Rate”: for any day, the rate calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as an overnight bank funding rate (from and after such date as the Federal Reserve Bank of New York shall commence to publish such composite rate).

“Federal Reserve Bank of New York’s Website”: the website of the Federal Reserve Bank of New York at <http://www.newyorkfed.org>, or any successor source.

“Fifth Amendment”: the Fourth Incremental Commitment Amendment, dated as of December 6, 2017, by and among the Borrower, the other Loan Parties party thereto, Holdings, the Tranche E Term Lender party thereto and the Administrative Agent.

“Fifth Amendment Closing Date”: the date on which all the conditions precedent set forth in Section 3A of the Fifth Amendment shall be satisfied or waived.

“First Incremental Amendment”: the Incremental Commitment Amendment, dated as of May 9, 2013, by and among the Borrower, the other Loan Parties party thereto, Holdings, the Tranche B Term Lenders party thereto and the Administrative Agent.

“First Incremental Amendment Closing Date”: the date on which all the conditions precedent set forth in Section 5 of the First Incremental Amendment shall be satisfied or waived.

“First Incremental Amendment Effective Date”: the date on which the conditions set forth or referred to in Section 3 of the First Incremental Amendment are satisfied or waived.

“First Lien Indebtedness”: with respect to any Person, the aggregate amount, without duplication, of Total Indebtedness (excluding Capitalized Lease Obligations and purchase money indebtedness) of such Person as of the end of the most recently ended fiscal quarter for which internal financial statements are available plus the amount of any Total Indebtedness (excluding Capitalized Lease Obligations and purchase money indebtedness) of such Person incurred subsequent to the end of such fiscal quarter and minus the amount of any Total Indebtedness (excluding Capitalized Lease Obligations and purchase money indebtedness) of such Person redeemed, repaid, retired or extinguished subsequent to the end of such fiscal quarter, as determined in accordance with GAAP, secured by Liens other than Liens permitted by Section 8.5 (excluding Liens permitted by clause (26) of “Permitted Liens,” provided that, Revolving Credit Agreement Indebtedness so secured shall be excluded from the calculation of First Lien Indebtedness) and other than Liens that have Junior Lien Priority on the Collateral in relation to the Term Loan Facility Obligations.

In addition, to the extent that any Indebtedness is secured by any Lien pursuant to clause (26)(i)(B) or (26)(iv) of the definition of “Permitted Liens,” such Indebtedness may be refinanced from time to time with other Indebtedness (including by Indebtedness refinancing any such refinancing Indebtedness) in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) not exceeding the principal amount of, and premium (if any) and accrued interest on, the Indebtedness being refinanced plus any fees, premiums, underwriting discounts, costs and expenses relating to such refinancing, and such refinancing Indebtedness may be secured by any Lien, without further compliance with the First Lien Indebtedness to EBITDA Ratio thereunder.

“First Lien Indebtedness to EBITDA Ratio”: with respect to the Borrower, the ratio of (x) the Borrower’s First Lien Indebtedness, minus an amount of cash and Cash Equivalents held by the Borrower and its Restricted Subsidiaries as of the date of determination not exceeding \$250.0 million, to (y) the Borrower’s EBITDA for the most recently ended four full fiscal quarters for which internal financial statements are available (or, if earlier, were required to be delivered pursuant to Section 7.1(a) or Section 7.1(b)) immediately preceding the date on which such event for which such calculation is being made shall occur (the “Measurement Period”).

For purposes of making the computation referred to above, if any Specified Transaction has been made by the Borrower or any of its Restricted Subsidiaries during the Measurement Period or subsequent to the Measurement Period and on or prior to the date of

determination of the First Lien Indebtedness to EBITDA Ratio, the First Lien Indebtedness to EBITDA Ratio shall be calculated on a pro forma basis assuming that all such Specified Transactions (and the change in EBITDA resulting therefrom) had occurred on the first day of the Measurement Period. If, since the beginning of such Measurement Period, any Person became a Restricted Subsidiary or was merged with or into the Borrower or any of its Restricted Subsidiaries and, since the beginning of such Measurement Period, such Person shall have made any Specified Transaction that would have required adjustment pursuant to the immediately preceding sentence if made by the Borrower or a Restricted Subsidiary since the beginning of such Measurement Period, then the First Lien Indebtedness to EBITDA Ratio shall be calculated giving pro forma effect thereto for such period as if such Specified Transaction had occurred at the beginning of such Measurement Period.

For purposes of this definition, whenever pro forma effect is to be given to any Specified Transaction (including the Transactions and the 2011 Transactions), the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Borrower and may include, for the avoidance of doubt, cost savings, operating expense reductions and synergies (including revenue synergies, those related to new business and customer wins, the modifications or renegotiation of contracts and other arrangements and pricing adjustments and increases (in each case, net of any costs or expenses to implement or achieve the foregoing)) resulting from or related to any such Specified Transaction (including the Transactions and the 2011 Transactions) which is being given pro forma effect that have been or are expected to be realized and for which the actions necessary to realize such cost savings, reductions and synergies are taken or expected to be taken no later than 24 months after the date of any such Specified Transaction (in each case as though such cost savings, reductions and synergies had been realized on the first day of the applicable Measurement Period).

In the event that any calculation of the First Lien Indebtedness to EBITDA Ratio shall be made as of the date of the initial borrowing of any applicable Indebtedness after giving pro forma effect to the entire committed amount of such Indebtedness (as contemplated by Section 2.6(a) and clause (26) of the definition of "Permitted Liens"), such committed amount may thereafter be borrowed and reborrowed, in whole or in part, from time to time, and secured by Liens without further compliance with such ratio, provided that such committed amount shall be included as outstanding Indebtedness in any subsequent calculation of the First Lien Indebtedness to EBITDA Ratio, to the extent the commitment therefor then remains outstanding.

"Fiscal Year": any period of 12 consecutive months ending on September 30 of any calendar year.

"Fitch": Fitch Ratings Inc. and any successor thereto.

"Fixed GAAP Date": (x) for all Fixed GAAP Terms, the Revolver Second Amendment Closing Date and (y) for all Frozen GAAP Terms, the Closing Date, provided that at any time after the Eighth Amendment Closing Date, the Borrower may, by prior written notice to the Administrative Agent, elect to change the Fixed GAAP Date to be the date specified in such notice, and upon the date of such notice, the Fixed GAAP Date shall be such date for all periods beginning on and after the date specified in such notice.

“Fixed GAAP Terms”: (a) the definitions of the terms “Consolidated Depreciation and Amortization Expense,” “Consolidated Interest Expense,” “Consolidated Net Income,” “Consolidated Tangible Assets,” “Consolidated Working Capital,” “EBITDA,” “ECF CNI,” “Excess Cash Flow,” “First Lien Indebtedness,” “First Lien Indebtedness to EBITDA Ratio,” “Funded Debt,” “Indebtedness,” “Net Income,” “Senior Secured Indebtedness,” “Senior Secured Indebtedness to EBITDA Ratio” and “Total Indebtedness,” (b) all defined terms in this Agreement to the extent used in or relating to any of the foregoing definitions, and all ratios and computations based on any of the foregoing definitions, and (c) any other term or provision of this Agreement or the other Loan Documents that, at the Borrower’s election, may be specified by the Borrower by written notice to the Administrative Agent from time to time.

“Foreign Benefit Event”: with respect to any Foreign Pension Plan, (a) the existence of unfunded liabilities in excess of the amount permitted under any applicable law or in excess of the amount that would be permitted absent a waiver from applicable governmental authority, (b) the failure to make the required contributions or payments, under any applicable law, on or before the due date for such contributions or payments, (c) the receipt of a notice by applicable governmental authority to terminate any such Foreign Pension Plan, or alleging the insolvency of any such Foreign Pension Plan, (d) the incurrence by the Borrower or any Restricted Subsidiary of any liability under applicable law on account of the complete or partial termination of such Foreign Pension Plan or the complete or partial withdrawal of any participating employer therein or (e) the occurrence of any transaction that is prohibited under any applicable law and that could reasonably be expected to result in the incurrence of any liability by the Borrower or any Restricted Subsidiary, or the imposition on the Borrower or any Restricted Subsidiary of any fine, excise tax or penalty resulting from any noncompliance with any applicable law, in each case, with respect to clauses (a) through (e), as could reasonably be expected to result in material liability to the Borrower or any Restricted Subsidiary.

“Foreign Pension Plan”: any employee benefit plan described in Section 4(b)(4) of ERISA sponsored or maintained by a Foreign Subsidiary that under applicable law is required to be funded through a trust or other funding vehicle other than a trust or funding vehicle maintained exclusively by a Governmental Authority.

“Foreign Subsidiary”: (i) any Subsidiary of the Borrower not organized under the laws of the United States, any state thereof or the District of Columbia; (ii) any Subsidiary of the Borrower organized under the laws of the United States, any state thereof or the District of Columbia if all or substantially all of the assets of such Subsidiary consist of equity or debt of one or more Subsidiaries described in clause (i) or this clause (ii); or (iii) any Subsidiary of a Subsidiary described in clause (i) or (ii).

“Fourth Amendment”: the Third Incremental Commitment Amendment, dated as of May 22, 2017, by and among the Borrower, the other Loan Parties party thereto, Holdings, the Tranche D Term Lender party thereto and the Administrative Agent.

“Fourth Amendment Closing Date”: the date on which all the conditions precedent set forth in Section 3 of the Fourth Amendment shall be satisfied or waived.



“Frozen GAAP Terms”: (a) the definition of the term “Capitalized Lease Obligation,” (b) all defined terms in this Agreement to the extent used in or relating to the foregoing definition, and all ratios and computations based on the foregoing definition, and (c) any other term or provision of this Agreement or the other Loan Documents that, at the Borrower’s election, may be specified by the Borrower by written notice to the Administrative Agent from time to time.

“Funded Debt”: all Indebtedness of the Borrower and the Restricted Subsidiaries for borrowed money that matures more than one year from the date of its creation or matures within one year from such date that is renewable or extendable, at the option of the Borrower or any Restricted Subsidiary, to a date more than one year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year from such date, including all amounts of such debt required to be paid or prepaid within one year from the date of its creation and, in the case of the Borrower, Indebtedness in respect of the Term Loans.

“GAAP”: generally accepted accounting principles in the United States of America as in effect on the Fixed GAAP Date (for purposes of the Fixed GAAP Terms and the Frozen GAAP Terms) and as in effect from time to time (for all other purposes of this Agreement), including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as approved by a significant segment of the accounting profession, and subject to the following sentence. If at any time the SEC permits or requires U.S.-domiciled companies subject to the reporting requirements of the Exchange Act to use IFRS in lieu of GAAP for financial reporting purposes, the Borrower may elect, by written notice to the Administrative Agent, to use IFRS in lieu of GAAP and, upon any such notice, references herein to GAAP shall thereafter be construed to mean (a) for all periods beginning on and after the date specified in such notice, IFRS as in effect on the date specified in such notice (for purposes of the Fixed GAAP Terms and the Frozen GAAP Terms) and as in effect from time to time (for all other purposes of this Agreement) and (b) for prior periods, GAAP as defined in the first sentence of this definition. All ratios and computations based on GAAP contained in this Agreement shall be computed in conformity with GAAP.

“Governmental Authority”: any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supranational bodies such as the European Union or the European Central Bank).

“guarantee”: a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner including, without limitation, through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness or other obligations.



“Guarantee”: any guarantee of the Secured Obligations by a Guarantor in accordance with the provisions of the Guarantee Agreement. When used as a verb, “Guarantee” shall have a corresponding meaning.

“Guarantee Agreement”: the Guarantee Agreement delivered to the Administrative Agent as of the date hereof, substantially in the form of Exhibit C hereto, as the same may be amended, supplemented, waived or otherwise modified from time to time.

“Guarantee Obligation”: as to any Person (the “guaranteeing person”), any obligation of (a) the guaranteeing person or (b) another Person (including any bank under any letter of credit) to induce the creation of which the guaranteeing person has issued a reimbursement, counterindemnity or similar obligation, in either case guaranteeing or in effect guaranteeing any Indebtedness, leases, dividends or other obligations (the “primary obligations”) of any other third Person (the “primary obligor”) in any manner, whether directly or indirectly, including any such obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person’s maximum reasonably anticipated liability in respect thereof as determined by the Borrower in good faith.

“Guarantors”: the collective reference to each Subsidiary Guarantor; individually, a “Guarantor”.

“Hazardous Materials”: all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Hedge Agreements”: collectively, Interest Rate Agreements, Currency Agreements and Commodities Agreements.

“Hedge Bank”: (a) any Person that is a Lender, a Revolving Lender, an Affiliate of a Lender or an Affiliate of a Revolving Lender, or a Person that was at the time of entering

into a Hedge Agreement, a Lender, a Revolving Lender, an Affiliate of a Lender or an Affiliate of a Revolving Lender, or that was a party to a Hedge Agreement as of the Closing Date, in each case in its capacity as a party to a Hedge Agreement and (b) any other Person that has entered into a Secured Hedge Agreement with the Borrower or any of its Restricted Subsidiaries, so long as either (i) such Secured Hedge Agreement shall contain provisions whereby the Hedge Bank shall have agreed therein that it is bound by the Security Agreement and shall comply in all respects with the terms thereof and that each of the other Secured Parties is a third-party beneficiary of such undertaking or (b) such Hedge Bank shall have executed and delivered an Additional Secured First Lien Party Consent (as defined in the Security Agreement).

“Hedging Obligations”: as to any Person, the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodities Agreement.

“Holdings”: WMG Holdings Corp., a Delaware corporation, and any successor in interest thereto.

“Holdings Notes”: Holdings’ 13.75% Senior Notes due 2019 issued on July 20, 2011, or subsequently issued in exchange for or in respect of any such notes (the “Initial Holdings Notes”), and any Indebtedness that serves to extend, replace, refund, refinance, renew or defease any Initial Holdings Notes, provided that such Indebtedness extending, replacing, refunding, refinancing, renewing or defeasing such Initial Holdings Notes shall not be in a principal amount (or, if issued with original issue discount, an aggregate issue price) in excess of the principal amount of, and premium, if any, and accrued interest on, the Initial Holdings Notes plus any fees, premiums, underwriting discounts, costs and expenses relating to such extension, replacement, refunding, refinancing, renewal or defeasance.

“Identified Participating Lenders”: as defined in Section 4.4(h)(iii)(3).

“Identified Qualifying Lenders”: as defined in Section 4.4(h)(iv)(3).

“IFRS”: International Financial Reporting Standards and applicable accounting requirements set by the International Accounting Standards Board or any successor thereto (or the Financial Accounting Standards Board, the Accounting Principles Board of the American Institute of Certified Public Accountants, or any successor to either such Board, or the SEC, as the case may be), as in effect from time to time.

“Immaterial Subsidiary”: at any date of determination, any Subsidiary that (i) (x) contributed 5% or less of EBITDA for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which consolidated financial statements of the Borrower are available, (y) had consolidated assets representing 5% or less of Consolidated Tangible Assets as of the end of the most recently ended financial period for which consolidated financial statements of the Borrower are available and (z) is designated by the Borrower as an Immaterial Subsidiary for the purposes of this definition; and (ii) together with all other Immaterial Subsidiaries designated pursuant to the preceding clause (i), (x) contributed 10% or less of EBITDA for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which consolidated financial statements of the Borrower are available, and (y) had consolidated assets representing 10% or less of Consolidated

Tangible Assets as of the end of the most recently ended financial period for which consolidated financial statements of the Borrower are available. Any Subsidiary so designated as an Immaterial Subsidiary that fails to meet the foregoing requirements as of the last day of the period of the most recent four consecutive fiscal quarters for which consolidated financial statements of the Borrower are available shall continue to be deemed an “Immaterial Subsidiary” hereunder until the date that is 60 days following the date on which such annual or quarterly financial statements were required to be delivered pursuant to Section 7.1(a) or (b), with respect to such period.

“Increase Supplement”: as defined in Section 2.6(c).

“Incremental Commitment Amendment”: as defined in Section 2.6(d).

“Incremental Commitments”: as defined in Section 2.6(a).

“Incremental Indebtedness”: Indebtedness incurred by the Borrower pursuant to and in accordance with Section 2.6.

“Incremental Loans”: as defined in Section 2.6(d).

“Incremental Term Loan”: any Incremental Loan made pursuant to an Incremental Term Loan Commitment.

“Incremental Term Loan Commitments”: as defined in Section 2.6(a).

“Indebtedness”: (a) any indebtedness (including principal and premium) of such Person, whether or not contingent,

(i) in respect of borrowed money,

(ii) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or, without double counting, reimbursement agreements in respect thereof),

(iii) representing the balance deferred and unpaid of the purchase price of any property (including Capitalized Lease Obligations) due more than twelve months after such property is acquired, except (x) any such balance that constitutes a trade payable or similar obligation to a trade creditor, in each case, accrued in the ordinary course of business, and (y) any earn-out obligations until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP, and if not paid, after becoming due and payable; or

(iv) representing the net obligations under any Hedging Obligations,

if and to the extent that any of the foregoing Indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of such Person prepared in accordance with GAAP,

(b) Disqualified Stock of such Person,

(b) to the extent not otherwise included, any obligation by such Person to be liable for, or to pay, as obligor, guarantor or otherwise, the Indebtedness of another Person (other than by endorsement of negotiable instruments for collection in the ordinary course of business); and

(c) to the extent not otherwise included, Indebtedness of another Person secured by a Lien on any asset owned by such Person (whether or not such Indebtedness is assumed by such Person); provided that the amount of Indebtedness of such Person shall be the lesser of (A) the fair market value of such asset at such date of determination (as determined in good faith by such Person) and (B) the amount of such Indebtedness of such other Persons;

provided, however, that Contingent Obligations incurred in the ordinary course of business and not in respect of borrowed money shall be deemed not to constitute Indebtedness.

“Individual Lender Exposure”: of any Lender, at any time, the sum of the aggregate principal amount of all Term Loans made by such Lender and then outstanding, all Tranche B Term Loan Commitments of such Lender then outstanding, all Tranche C Term Loan Commitments of such Lender then outstanding, all Tranche D Term Loan Commitments of such Lender then outstanding, all Tranche E Term Loan Commitments of such Lender then outstanding, all Tranche F Term Loan Commitments of such Lender then outstanding ~~and~~, all Tranche G Term Loan Commitments of such Lender then outstanding and all Tranche H Term Loan Commitments of such Lender then outstanding.

“Initial Default”: as defined in Section 1.2(b).

“Initial Extension of Credit”: as to any Lender, the making of an Initial Term Loan.

“Initial Lien”: as defined in Section 8.5(a).

“Initial Term Loan”: as defined in Section 2.1(a). The aggregate principal amount of the Initial Term Loans on the First Incremental Amendment Effective Date giving effect to the incurrence of the Tranche B Term Loans and the application of proceeds thereof shall be \$0.

“Initial Term Loan Commitment”: as to any Lender, its obligation to make Initial Term Loans to the Borrower pursuant to Section 2.1(a) in an aggregate amount not to exceed at any one time outstanding the amount set forth opposite such Lender’s name in Schedule A under the heading “Initial Term Loan Commitment”; collectively, as to all the Lenders, the “Initial Term Loan Commitments”. The original aggregate amount of the Initial Term Loan Commitments on the Closing Date is \$600.0 million.

“Initial Term Loan Maturity Date”: November 1, 2018.

“Initial Term Loan Repricing Transaction”: other than in connection with a transaction involving a Change of Control, the prepayment in full or in part of the Initial Term Loans by the Borrower with the proceeds of secured term loans (including any new, amended or additional loans or Term Loans under this Agreement, whether as a result of an amendment to

this Agreement or otherwise), that are broadly marketed or syndicated to banks and other institutional investors in financings similar to the Initial Term Loan Facility and having an effective interest cost or weighted average yield (as determined prior to such prepayment by the Administrative Agent consistent with generally accepted financial practice and, in any event, excluding any arrangement, structuring, syndication or commitment fees in connection therewith, and excluding any performance or ratings based pricing grid that could result in a lower interest rate based on future performance, but including any LIBOR Rate floor or similar floor that is higher than the then applicable LIBOR Rate) that is less than the interest rate for or weighted average yield (as determined prior to such prepayment by the Administrative Agent on the same basis) of the Initial Term Loans, including as may be effected through any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the Initial Term Loans.

“Intellectual Property Security Agreement”: collectively, the Copyright Security Agreement, the Trademark Security Agreement and the Patent Security Agreement (each as defined in the Security Agreement), substantially in the forms attached to the Security Agreement, together with each other intellectual property security agreement executed and delivered pursuant to Section 7.12 or the Security Agreement.

“Intercreditor Agreement Supplement”: as defined in Section 10.8(a).

“Interest Payment Date”: (a) as to any ABR Loan, the last Business Day of each March, June, September and December to occur while such Loan is outstanding, and the final maturity date of such Loan, (b) as to any Eurodollar Loan or SOFR Loan having an Interest Period of three months or less, the last day of such Interest Period, and (c) as to any Eurodollar Loan or SOFR Loan having an Interest Period longer than three months, (i) each day which is three months, or a whole multiple thereof, after the first day of such Interest Period and (ii) the last day of such Interest Period.

“Interest Period”: with respect to any Eurodollar Loan:

(a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Eurodollar Loan and ending one, two, three or six months (or, if agreed to by each affected Lender 12 months or a shorter period) thereafter, as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and

(b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Eurodollar Loan and ending one, two, three or six months (or if agreed to by each affected Lender 12 months or a shorter period) thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not less than three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding

Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period that would otherwise extend beyond (A) the Initial Term Loan Maturity Date (in the case of Initial Term Loans), (B) the Tranche B Term Loan Maturity Date (in the case of Tranche B Term Loans), (C) the Tranche C Term Loan Maturity Date (in the case of Tranche C Term Loans), (D) the Tranche D Term Loan Maturity Date (in the case of Tranche D Term Loans), (E) the Tranche E Term Loan Maturity Date (in the case of Tranche E Term Loans), (F) the Tranche F Term Loan Maturity Date (in the case of Tranche F Term Loans) ~~or~~, (G) the Tranche G Term Loan Maturity Date (in the case of Tranche G Term Loans) or (H) the Tranche H Term Loan Maturity Date (in the case of Tranche H Term Loans) shall (for all purposes other than Section 4.12) end on (A) the Initial Term Loan Maturity Date (in the case of Initial Term Loans), (B) the Tranche B Term Loan Maturity Date (in the case of Tranche B Term Loans), (C) the Tranche C Term Loan Maturity Date (in the case of Tranche C Term Loans), (D) the Tranche D Term Loan Maturity Date (in the case of Tranche D Term Loans), (E) the Tranche E Term Loan Maturity Date (in the case of Tranche E Term Loans), (F) the Tranche F Term Loan Maturity Date (in the case of Tranche F Term Loans) or (G) the Tranche G Term Loan Maturity Date (in the case of Tranche G Term Loans);

(iii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month; and

(iv) the Borrower shall select Interest Periods so as not to require a scheduled payment of any Eurodollar Loan during an Interest Period for such Eurodollar Loan,

and with respect to any SOFR Loan, the period commencing on the date of such Loan or Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter (in each case, subject to the availability thereof), as specified in the applicable request for a Borrowing or conversion or continuation of a Borrowing; provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, (iii) no Interest Period shall extend beyond the Tranche H Term Loan Maturity Date (in the case of Tranche H Term Loans) and (iv) no tenor that has been removed from this definition pursuant to Section 4.7(f) shall be available for specification in such request for a Borrowing or conversion or continuation of a Borrowing. For purposes of this paragraph, the date of a Loan or Borrowing initially shall be the

date on which such Loan or Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Loan or Borrowing.

“Interest Rate Agreement”: with respect to any Person, any interest rate protection agreement, future agreement, option agreement, swap agreement, cap agreement, collar agreement, hedge agreement or other similar agreement or arrangement (including derivative agreements or arrangements), as to which such Person is party or a beneficiary.

“Investment Company Act”: the Investment Company Act of 1940, as amended from time to time.

“Investment Grade Rating”: a rating equal to or higher than Baa3 (or the equivalent) by Moody’s and BBB- (or the equivalent) by S&P, or an equivalent rating by any other Rating Agency.

“Investment Grade Condition”: a condition that is satisfied if (x) so long as any Tranche G Term Loans are outstanding, the Tranche G Term Loans have obtained an Investment Grade Rating and (y) so long as any Tranche H Term Loans are outstanding, the Tranche H Term Loans have obtained an Investment Grade Rating (or if the Tranche G Term Loans and the Tranche H Term Loans have each been repaid in full, the Borrower has obtained a corporate family/corporate credit rating that is an Investment Grade Rating), in each case from at least two of the Rating Agencies.

“Investment Grade Securities”: (1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents); (2) debt securities or debt instruments with an Investment Grade Rating, but excluding any debt securities or instruments constituting loans or advances among the Borrower and its Subsidiaries; (3) investments in any fund that invests exclusively in investments of the type described in clauses (1) and (2), which fund may also hold immaterial amounts of cash pending investment or distribution; and (4) corresponding instruments in countries other than the United States customarily utilized for high-quality investments.

“IP Rights”: as defined in Section 5.19.

“ISDA CDS Definitions”: as defined in Section 11.1(i).

“Junior Lien Intercreditor Agreement”: an intercreditor agreement to be entered into with the representative of Indebtedness secured by a Lien having Junior Lien Priority substantially in the form attached as Annex B to the Security Agreement or such other form reasonably satisfactory to the Applicable Authorized Representative (as such term is defined in the Security Agreement).

“Junior Lien Priority”: with respect to specified Indebtedness, secured by a Lien on specified Collateral ranking junior to the Lien on such Collateral securing the Term Loan Facility Obligations or any Guarantee, as applicable, either pursuant to the Junior Lien Intercreditor Agreement or one or more other intercreditor agreements having terms no less favorable to the Lenders with respect to such Collateral than the terms of the Junior Lien Intercreditor Agreement, as determined in good faith by the Borrower.



“Laws”: collectively, all applicable international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority.

“Lead Arrangers”: (a) collectively, Credit Suisse Securities (USA) LLC, Barclays Bank PLC, UBS Securities LLC, Macquarie Capital (USA) Inc. and Nomura Securities International, Inc., each solely in its capacity as a joint lead arranger of the Initial Term Loan Commitments, Tranche B Term Loan Commitments, Tranche D Term Loan Commitments and Tranche E Term Loan Commitments and, solely with respect to Credit Suisse (USA) LLC, Tranche C Term Loan Commitments hereunder, (b) collectively, Credit Suisse Loan Funding LLC, Barclays Bank PLC, Goldman Sachs Bank USA, Morgan Stanley Senior Funding, Inc., Nomura Securities International, Inc. and UBS Securities LLC, each solely in its capacity as a joint lead arranger of the Tranche F Term Loan Commitments ~~and~~, (c) collectively, Credit Suisse Loan Funding LLC, BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A. and Morgan Stanley Senior Funding, Inc., each solely in its capacity as a joint lead arranger of the Tranche G Term Loan Commitments ~~and~~ (d) [Credit Suisse Loan Funding LLC, BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs Lending Partners LLC, JPMorgan Chase Bank, N.A. and Morgan Stanley Senior Funding, Inc., each solely in its capacity as a joint lead arranger of the Tranche H Term Loan Commitments.](#)

“Lender Joinder Agreement”: as defined in [Section 2.6\(c\)](#).

“Lender-Related Distress Event”: with respect to any Lender (each, a “Distressed Lender”), a voluntary or involuntary case with respect to such Distressed Lender under any debtor relief law, or a custodian, conservator, receiver or similar official is appointed for such Distressed Lender or any substantial part of such Distressed Lender’s assets, or such Distressed Lender makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any Governmental Authority having regulatory authority over such Distressed Lender to be, insolvent or bankrupt; provided that a Lender-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any equity interests in any Lender or any person that directly or indirectly controls such Lender by a Governmental Authority or an instrumentality thereof.

“Lenders”: the several banks and other financial institutions from time to time parties to this Agreement together with, in each case, any affiliate of any such bank or financial institution through which such bank or financial institution elects, by notice to the Administrative Agent and the Borrower to make any Loans available to the Borrower, provided that for all purposes of voting or consenting with respect to (a) any amendment, supplementation or modification of any Loan Document, (b) any waiver of any of the requirements of any Loan Document or any Default or Event of Default and its consequences or (c) any other matter as to which a Lender may vote or consent pursuant to [Section 11.1](#), the bank or financial institution making such election shall be deemed the “Lender” rather than such affiliate, which shall not be entitled to so vote or consent.



“LIBOR Rate”: with respect to any Eurodollar Loan for any Interest Period, the rate per annum determined by the Administrative Agent at approximately 11:00 a.m., London time, on the date that is two Business Days prior to the commencement of such Interest Period by reference to the ICE Benchmark Administration Interest Settlement Rates (or the successor thereto if the ICE Benchmark Administration is no longer making such rates available) for deposits in the currency in which the applicable Eurodollar Loan is denominated (as set forth by any service selected by the Administrative Agent that has been nominated by the ICE Benchmark Administration (or the successor thereto if the ICE Benchmark Administration is no longer making such rates available) an authorized information vendor for the purpose of displaying such rates) for a period equal to such Interest Period; provided that, to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the “LIBOR Rate” shall be the interest rate per annum determined by the Administrative Agent to be the average of the rates per annum at which deposits in the currency in which the applicable Eurodollar Loan is denominated are offered for such relevant Interest Period to major banks in the London interbank market in London, England by the Administrative Agent at approximately 11:00 a.m., London time, on the date that is two Business Days prior to the beginning of such Interest Period.

“Lien”: with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction; provided that in no event shall an operating lease be deemed to constitute a Lien.

“Limited Condition Transaction”: (x) any acquisition, including by way of merger, amalgamation, consolidation or other business combination or the acquisition of Capital Stock or otherwise, by one or more of the Borrower and its Restricted Subsidiaries of any assets, business or Person or any other investment permitted by this Agreement whose consummation is not conditioned on the availability of, or on obtaining, third party financing or (y) any redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock requiring notice in advance of such redemption, repurchase, defeasance, satisfaction and discharge or repayment.

“Loan”: each Initial Term Loan, Tranche B Term Loan, Tranche C Term Loan, Tranche D Term Loan, Tranche E Term Loan, Tranche F Term Loan, Tranche G Term Loan, [Tranche H Term Loan](#), Incremental Loan and Extended Term Loan; collectively, the “Loans”.

“Loan Documents”: this Agreement, the First Incremental Amendment, any Notes, the Guarantee Agreement, the Security Agreement, the Junior Lien Intercreditor Agreement (on and after execution thereof), each Other Intercreditor Agreement (on and after the execution thereof) and any other Security Documents, each as amended, supplemented, waived or otherwise modified from time to time.

“Loan Parties”: the Borrower and the Subsidiary Guarantors; individually, a “Loan Party”.

“Material Adverse Effect”: (a) a material adverse effect on the business, operations, assets, liabilities (actual or contingent) or condition (financial or otherwise) of the Borrower and its Subsidiaries, taken as a whole, (b) a material adverse effect on the ability of the Borrower or the Loan Parties (taken as a whole) to perform their respective payment obligations under any Loan Document to which the Borrower or any of the Loan Parties is a party or (c) a material adverse effect on the rights and remedies of the Lenders under the Loan Documents taken as a whole.

“Material Subsidiaries”: Restricted Subsidiaries of the Borrower constituting, individually (or, solely for purposes of Section 9.1(f), in the aggregate (as if such Restricted Subsidiaries constituted a single Subsidiary)), a “significant subsidiary” in accordance with Rule 1-02 under Regulation S-X.

“Maturity Date”: (a) with respect to Initial Term Loans, the Initial Term Loan Maturity Date, (b) with respect to Tranche B Term Loans, the Tranche B Term Loan Maturity Date, (c) with respect to Tranche C Term Loans, the Tranche C Term Loan Maturity Date, (d) with respect to Tranche D Term Loans, the Tranche D Term Loan Maturity Date, (e) with respect to Tranche E Term Loans, the Tranche E Term Loan Maturity Date, (f) with respect to Tranche F Term Loans, the Tranche F Term Loan Maturity Date ~~and~~, (g) with respect to Tranche G Term Loans, the Tranche G Term Loan Maturity Date and (h) with respect to Tranche H Term Loans, the Tranche H Term Loan Maturity Date.

“Measurement Period”: as defined in the definition of “First Lien Indebtedness to EBITDA Ratio”.

“Minimum Exchange Tender Condition”: as defined in Section 2.7(b).

“Minimum Extension Condition”: as defined in Section 2.8(g).

“Moody’s”: Moody’s Investors Service, Inc., and its successors.

“Mortgages”: collectively, the deeds of trust, trust deeds and mortgages made by the Loan Parties in favor or for the benefit of the Collateral Agent on behalf of the Lenders on the Closing Date together with each other mortgage to secure any of the Secured Obligations executed and delivered after the Closing Date.

“Multiemployer Plan”: any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

“Music Publishing Business”: the subsidiaries and assets constituting the music publishing segment, as defined in the financial statements of the Borrower. At any point in time in which music publishing is not a reported segment of the Borrower, “Music Publishing Business” shall refer to the business that was previously included in this segment.

“Music Publishing Sale”: the sale of all or substantially all of the Music Publishing Business, which, for the avoidance of doubt, may include assets constituting a portion

of the Recorded Music Business not to exceed 10.0% of the total assets constituting the Recorded Music Business.

“Net Income”: with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends or accretion of any Preferred Stock.

“Net Short Lender”: as defined in Section 11.1(i).

“New York Courts”: as defined in Section 11.13(a).

“New York Supreme Court”: as defined in Section 11.13(a).

“Non-Excluded Taxes”: all Taxes other than Excluded Taxes.

“Non-Extending Lender”: as defined in Section 2.8(e).

“Non-Recourse Acquisition Financing Indebtedness”: any Indebtedness incurred by the Borrower or any Restricted Subsidiary to finance the acquisition, exploitation or development of assets (including directly or through the acquisition of entities holding such assets) not owned by the Borrower or any of its Restricted Subsidiaries prior to such acquisition, exploitation or development, which assets are used for the creation or development of Product for the benefit of the Borrower, and in respect of which the Person to whom such Indebtedness is owed has no recourse whatsoever to the Borrower or any of its Restricted Subsidiaries for the repayment of or payment of such Indebtedness other than recourse to the acquired assets or assets that are the subject of such exploitation or development for the purpose of enforcing any Lien given by the Borrower or such Restricted Subsidiary over such assets, including the receivables, inventory, intangibles and other rights associated with such assets and the proceeds thereof.

“Non-Recourse Product Financing Indebtedness”: any Indebtedness incurred by the Borrower or any Restricted Subsidiary solely for the purpose of financing (whether directly or through a partially-owned joint venture) the production, acquisition, exploitation, creation or development of items of Product produced, acquired, exploited, created or developed after the Closing Date (including any Indebtedness assumed in connection with the production, acquisition, creation or development of any such items of Product or secured by a Lien on any such items of Product prior to the production, acquisition, creation or development thereof) where the recourse of the creditor in respect of that Indebtedness is limited to Product revenues generated by such items of Product or any rights pertaining thereto and where the Indebtedness is unsecured save for Liens over such items of Product or revenues and such rights, and any extension, renewal, replacement or refinancing of such Indebtedness. “Non-Recourse Product Financing Indebtedness” excludes, for the avoidance of doubt, any Indebtedness raised or secured against Product where the proceeds are used for any other purposes.

“Note”: as defined in Section 2.2(a).

“Obligations”: any principal, interest, penalties, fees, indemnifications, reimbursements (including, without limitation, reimbursement obligations with respect to letters

of credit), damages and other liabilities, and guarantees of payment of such principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any Indebtedness.

“Obligor”: any purchaser of goods or services or other Person obligated to make payment to the Borrower or any of its Restricted Subsidiaries (other than any Restricted Subsidiary that is not a Loan Party) in respect of a purchase of such goods or services.

“Offered Amount”: as defined in Section 4.4(h)(iv)(1).

“Offered Discount”: as defined in Section 4.4(h)(iv)(1).

“OID”: as defined in Section 2.6(d).

“Organization Documents”: (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws; (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement or limited liability company agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“Other Intercreditor Agreement”: an intercreditor agreement (other than the Security Agreement and any Junior Lien Intercreditor Agreement) in form and substance reasonably satisfactory to the Borrower and the Collateral Agent.

“Other Representatives”: the Syndication Agents, and the Lead Arrangers.

“Outstanding Amount”: with respect to the Loans on any date, the principal amount thereof after giving effect to any borrowings and prepayments or repayments thereof occurring on such date.

“Parent”: any of Holdings, Warner Music Group Corp. (and any successor in interest thereto), Airplanes Music LLC (and any successor in interest thereto), any Other Parent, and any other Person that is a Subsidiary of Holdings, Warner Music Group Corp. (and any successor in interest thereto), Airplanes Music LLC (and any successor in interest thereto) or any Other Parent and of which the Borrower is a Subsidiary. As used herein, “Other Parent” means a Person of which the Borrower becomes a Subsidiary after the Closing Date, provided that either (x) immediately after the Borrower first becomes a Subsidiary of such Person, more than 50% of the Voting Stock of such Person shall be held by one or more Persons that held more than 50% of the Voting Stock of a Parent of the Borrower immediately prior to the Borrower first becoming such Subsidiary or (y) such Person shall be deemed not to be an Other Parent for the purpose of determining whether a Change of Control shall have occurred by reason of the Borrower first becoming a Subsidiary of such Person.

“Pari Passu Indebtedness”: Indebtedness secured by Liens with Pari Passu Lien Priority.

“Pari Passu Lien Priority”: with respect to specified Indebtedness, secured by a Lien on specified Collateral ranking equal with the Lien on such Collateral securing the Term Loan Facility Obligations or any Guarantee, as applicable, either pursuant to the Security Agreement or one or more other intercreditor agreements having terms no less favorable to the Lenders in relation to the holders of such specified Indebtedness with respect to such Collateral than the terms of the Security Agreement, as determined in good faith by the Borrower.

“Participant”: as defined in Section 11.6(c).

“Participant Register”: as defined in Section 11.6(b)(v).

“Participating Lender”: as defined in Section 4.4(h)(iii)(2).

“Patriot Act”: as defined in Section 11.18.

“PBGC”: the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor thereto).

“Pension Plan”: any “employee pension benefit plan” (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by the Borrower or any ERISA Affiliate or to which the Borrower or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding five (5) plan years.

“Permitted Affiliated Assignee”: the Sponsor, any investment fund managed or controlled by the Sponsor and any special purpose vehicle established by the Sponsor or by one or more of such investment funds.

“Permitted Debt Exchange”: as defined in Section 2.7(a).

“Permitted Debt Exchange Notes”: as defined in Section 2.7(a).

“Permitted Debt Exchange Offer”: as defined in Section 2.7(a).

“Permitted Holders”: any of the following: (i) the Access Investors; (ii) [reserved]; (iii) any officer, director, employee or other member of the management of any Parent, the Borrower or any of their respective Subsidiaries; (iv) immediate family members (including spouses and direct descendants) of a Person described in clause (iii); (v) any trusts created for the benefit of a Person or Persons described in clause (iii) or (iv) or any trust for the benefit of any such trust; (vi) in the event of the incompetence or death of any Person described in clause (iii) or (iv), such Person’s estate, executor, administrator, committee or other personal representative or beneficiaries, in each case, who, at any particular date, shall beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Borrower or any direct or indirect parent company of the Borrower; or (vii) any Person acting in the capacity of an

underwriter in connection with a public or private offering of Capital Stock of any of the Borrower, Holdings or any of their respective direct or indirect parent companies. In addition, any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) whose status as a “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) constitutes or results in a Change of Control in respect of which the Borrower makes all payments of the Term Loans and other amounts required by, if applicable, Section 8.8, together with its Affiliates, shall thereafter constitute Permitted Holders.

“Permitted Liens”: the following types of Liens:

(1) deposits of cash or government bonds made in the ordinary course of business to secure surety or appeal bonds to which such Person is a party;

(2) Liens in favor of issuers of performance, surety, bid, indemnity, warranty, release, appeal or similar bonds or with respect to other regulatory requirements or letters of credit or bankers’ acceptances issued, and completion guarantees provided for, in each case pursuant to the request of and for the account of such Person in the ordinary course of its business or consistent with past practice;

(3) Liens on property or shares of stock of a Person at the time such Person becomes a Subsidiary; provided, however, that such Liens are not created or incurred in connection with, or in contemplation of, such other Person becoming such a Subsidiary; provided, further, however, that such Liens may not extend to any other property owned by the Borrower or any Restricted Subsidiary;

(4) Liens existing on property of a Person at the time such Person becomes a Subsidiary of the Borrower (or at the time the Borrower or a Restricted Subsidiary acquires such property, including any acquisition by means of a merger or consolidation with or into the Borrower or any Restricted Subsidiary); provided, however, that such Liens are not created or incurred in connection with, or in contemplation of, such acquisition; provided, further, however, that such Liens are limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which such Liens arose, could secure) the obligations to which such Liens relate; provided, further, that for purposes of this clause (4), if a Person other than the Borrower is the Successor Borrower with respect thereto, any Subsidiary thereof shall be deemed to become a Subsidiary of the Borrower, and any property or assets of such Person or any such Subsidiary shall be deemed acquired by the Borrower or a Restricted Subsidiary, as the case may be, when such Person becomes such Successor Borrower;

(5) Liens securing Indebtedness or other obligations of a Restricted Subsidiary owing to the Borrower or another Restricted Subsidiary;

(6) Liens on cash deposits or property constituting Cash Equivalents securing Hedging Obligations not prohibited by this Agreement;

(7) Liens on specific items of inventory or other goods and proceeds of any Person securing such Person’s obligations in respect of bankers’ acceptances issued or

created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(8) Liens in favor of the Borrower or any Restricted Subsidiary;

(9) Liens existing on the Closing Date (other than Liens securing Indebtedness under this Agreement and the other Loan Documents and the 2012 Senior Secured Notes) and Liens to secure any Indebtedness that is incurred to refinance any Indebtedness that has been secured by a Lien (A) existing on the Closing Date (other than under this Agreement or the 2012 Senior Secured Notes) or (B) referred to in clauses (3), (4) and (19)(B) of this definition; provided, however, that in each case, such Liens (x) are no less favorable to the Lenders and are not more favorable to the lienholders with respect to such Liens than the Liens in respect of the Indebtedness being refinanced; and (y) do not extend to or cover any property or assets of the Borrower or any of its Restricted Subsidiaries not securing the Indebtedness so refinanced;

(10) Liens on Securitization Assets and related assets of the type specified in the definition of "Securitization Financing" incurred in connection with any Qualified Securitization Financing;

(11) Liens for taxes, assessments or other governmental charges or levies not yet delinquent for a period of more than 30 days, or which are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, or for property taxes on property that the Borrower or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge, levy or claim is to such property;

(12) judgment Liens in respect of judgments that do not constitute an Event of Default so long as such Liens are adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(13) pledges, deposits or other Liens under workers' compensation, unemployment insurance and other social security laws or regulations, or deposits to secure the performance of tenders, contracts (other than for the payment of Indebtedness) or leases, or deposits or other Liens to secure public or statutory obligations, or deposits or other Liens as security for contested taxes or import or customs duties or for the payment of rent, or deposits or other Liens securing liabilities to insurance carriers under insurance or self-insurance arrangements, in each case incurred in the ordinary course of business or consistent with past practice;

(14) Liens imposed by law, including carriers', warehousemen's, materialmen's, repairmen's and mechanics' Liens, in each case for sums not overdue by more than 30 days or, if more than 30 days overdue, are unfiled and no other action has been taken to enforce such Lien, or which are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted;



(15) survey exceptions, encumbrances, ground leases, easements or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions (including, without limitation, minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental to the conduct of business or to the ownership of properties that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business;

(16) any lease, license, sublease or sublicense granted to or from any Person in the ordinary course of business that is not granted for the purpose of securing any Indebtedness of the Borrower or any Restricted Subsidiary owing to such lessee, licensee, sublessee or sublicensee;

(17) banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depository institution, provided that (a) such deposit account is not a dedicated cash collateral account and is not subject to restrictions against access by the Borrower in excess of those set forth by regulations promulgated by the Federal Reserve Board or other applicable law and (b) such deposit account is not intended by the Borrower or any Restricted Subsidiary to provide collateral to the depository institution;

(18) Liens arising from Uniform Commercial Code financing statement filings regarding operating leases or consignments entered into by the Borrower and its Restricted Subsidiaries in the ordinary course of business;

(19) (A) other Liens securing Indebtedness for borrowed money with respect to property or assets with an aggregate fair market value (valued at the time of creation thereof) of not more than the greater of \$37.5 million and 5.0% of EBITDA for the then applicable Measurement Period at any time and (B) Liens securing Indebtedness incurred to finance the construction, purchase or lease of, or repairs, improvements or additions to, property of such Person; provided, however, that (x) the Lien may not extend to any other property (except for accessions to such property) owned by such Person or any of its Restricted Subsidiaries at the time the Lien is incurred, (y) such Liens attach concurrently with or within 270 days after the acquisition, repair, replacement, construction or improvement (as applicable) of the property subject to such Liens and (z) with respect to Capitalized Lease Obligations, such Liens do not at any time extend to or cover any assets (except for accessions to such assets) other than the assets subject to such Capitalized Lease Obligations; provided that individual financings of equipment provided by one lender may be cross-collateralized to other financings of equipment provided by such lender;

(20) Liens to secure Non-Recourse Product Financing Indebtedness, which Liens may not secure Indebtedness other than Non-Recourse Product Financing Indebtedness and which Liens may not attach to assets other than the items of Product acquired, exploited, created or developed with the proceeds of such Indebtedness and Liens to secure Non-Recourse Acquisition Financing Indebtedness, which Liens may not



secure Indebtedness other than Non-Recourse Acquisition Financing Indebtedness and which Liens may not attach to assets other than the assets acquired, exploited, created or developed with the proceeds of such Indebtedness;

(21) Liens (i) of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection, (ii) attaching to commodity trading accounts or other commodities brokerage accounts incurred in the ordinary course of business and (iii) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off) and which are within the general parameters customary in the banking industry;

(22) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(23) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts of the Borrower or any Restricted Subsidiary that permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Borrower and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Borrower or any Restricted Subsidiary in the ordinary course of business;

(24) Liens solely on any cash earnest money deposits made by the Borrower or any of its Restricted Subsidiaries in connection with any letter of intent or purchase agreement;

(25) Liens securing (A) Indebtedness (including Capitalized Lease Obligations) incurred by the Borrower or any Restricted Subsidiary and Preferred Stock issued by a Restricted Subsidiary to finance the purchase, lease or improvement of property (real or personal) or equipment (whether through the direct purchase of assets or the Capital Stock of any Person owning such assets); *provided* that the aggregate principal amount of Indebtedness secured pursuant to this clause and incurred to finance the acquisition of Capital Stock of any Person at any time outstanding shall not exceed the greater of \$75.0 million and 10.0% of EBITDA for the then applicable Measurement Period and (B) Indebtedness of Foreign Subsidiaries of the Borrower;

(26) Liens securing (i) First Lien Indebtedness in an aggregate principal amount (as of the date of incurrence of any such Indebtedness and after giving pro forma effect to the incurrence thereof and the application of the net proceeds therefrom (or as of the date of the initial borrowing of such Indebtedness after giving pro forma effect to the incurrence of the entire committed amount of such Indebtedness)), not exceeding the greater of (A) \$2,800.0 million and (B) the maximum aggregate principal amount of First Lien Indebtedness that could be incurred without exceeding a First Lien Indebtedness to EBITDA Ratio for the Borrower of 4.50 to 1.00, (ii) Senior Secured Indebtedness that is not First Lien Indebtedness in an aggregate principal amount (as of the date of incurrence of any such Indebtedness and after giving pro forma effect to the incurrence thereof and

the application of the net proceeds therefrom (or as of the date of the initial borrowing of such Indebtedness after giving pro forma effect to the incurrence of the entire committed amount of such Indebtedness)) not exceeding the maximum aggregate principal amount of Senior Secured Indebtedness that could be incurred without exceeding a Senior Secured Indebtedness to EBITDA Ratio for the Borrower of 5.00 to 1.00, (iii) Revolving Credit Agreement Indebtedness not to exceed at any time outstanding the greater of \$400.0 million and 50.0% of EBITDA (for the Measurement Period applicable at the time such Revolving Credit Agreement Indebtedness is committed) and (iv) Indebtedness incurred in reliance on Section 2.6(a)(i)(A), in an aggregate amount at any time outstanding not to exceed the greater of \$450.0 million and 60.0% of EBITDA (for the Measurement Period applicable at the time of the incurrence of such Indebtedness); provided, that, in the case of clause (i) or (ii) above, the applicable representative in respect of the relevant Indebtedness shall have become party to the Security Agreement, the Junior Lien Intercreditor Agreement, any Other Intercreditor Agreement or any Intercreditor Agreement Supplement, as applicable;

(27) Liens securing (A) interest rate or currency swaps, caps or collars or other Hedging Obligations entered into to hedge the Borrower's or any Guarantor's exposure with respect to activities not prohibited under this Agreement and (B) obligations in respect of any overdraft and related liabilities arising from treasury, depository and cash management services or any automated clearing house transfers of funds;

(28) any encumbrance or restriction (including put and call arrangements) with respect to capital stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(29) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale or purchase of goods entered into by the Borrower or any Restricted Subsidiary in the ordinary course of business;

(30) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(31) Liens on the assets of a non-guarantor Subsidiary securing Indebtedness or other obligations of a non-Guarantor Subsidiary;

(32) Liens on cash advances in favor of the seller of any property to be acquired in an investment to be applied against the purchase price for such investment; and

(33) other Liens securing obligations incurred in the ordinary course of business which obligations (at the time of incurrence thereof) do not exceed the greater of \$75.0 million and 10.0% of EBITDA for the then applicable Measurement Period at any one time outstanding.

For purposes of determining compliance with any U.S. dollar-denominated restriction in this definition, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated based on the relevant currency

exchange rate in effect on the date such Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt; provided that if such Indebtedness is incurred to extend, replace, refund, refinance, renew or defease other Indebtedness denominated in a foreign currency, and such extension, replacement, refunding, refinancing, renewal or defeasance would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such extension, replacement, refunding, refinancing, renewal or defeasance, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of, premium, if any, and accrued interest on, the Indebtedness being extended, replaced, refunded, refinanced, renewed or defeased plus any fees, premiums, underwriting discounts, costs and expenses relating to such extension, replacement, refunding, refinancing, renewal or defeasance.

“Person”: any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization, limited liability company or government or other entity.

“Plan”: any “employee benefit plan” (as such term is defined in Section 3(3) of ERISA) established by the Borrower or, with respect to any such plan that is subject to Section 412 of the Code or Title IV of ERISA, any ERISA Affiliate.

“Platform”: Intralinks, SyndTrak Online or any other similar electronic distribution system.

“Pledged Debt”: as defined the Security Agreement.

“Preferred Stock”: as applied to the Capital Stock of any corporation, Capital Stock of any class or classes (however designated) that by its terms is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation, over shares of Capital Stock of any other class of such corporation.

“Prepayment Date”: as defined in Section 4.4(d).

“Prime Rate”: for any day, a rate per annum that is equal to the corporate base rate of interest established by the Administrative Agent as its “prime rate” in effect at its principal office in New York City from time to time; each change in the Prime Rate shall be effective on the date such change is effective. The corporate base rate is not necessarily the lowest rate charged by the Administrative Agent to its customers.

“Product”: any music (including musical and audio visual recordings, musical performance, songs and compositions and also includes mail order music and activities relating or incidental to music such as touring, merchandising and artist management), music copyright, motion picture, television programming, film, videotape, digital file, video clubs, DVD manufactured or distributed or any other product produced for theatrical, non-theatrical or television release or for release in any other medium, in each case whether recorded on film, videotape, cassette, cartridge, disc or on or by any other means, method, process or device,

whether now known or hereafter developed, with respect to which the Borrower or any Restricted Subsidiary:

(1) is an initial copyright owner; or

(2) acquires (or will acquire upon delivery) an equity interest, license, sublicense or administration or distribution right.

“Public Company Costs”: costs relating to compliance with the Sarbanes-Oxley Act of 2002, as amended, and other expenses arising out of or incidental to being a public reporting company, including costs, fees and expenses (including legal, accounting and other professional fees) relating to compliance with provisions of the Securities Act and the Exchange Act, the rules of national securities exchange companies with listed equity securities, directors’ compensation, fees and expense reimbursement shareholder meetings and reports to shareholders, directors’ and officers’ insurance and other executive costs, legal and other professional fees, and listing fees.

“Public Lender”: as defined in Section 11.2(e).

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“QFC Credit Support”: as defined in Section 11.22(a).

“Qualified Securitization Financing”: any Securitization Financing of a Securitization Subsidiary that meets the following conditions: (i) the Board of Directors of the Borrower shall have determined in good faith that such Securitization Financing (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Borrower and the Securitization Subsidiary, (ii) all sales of Securitization Assets and related assets to the Securitization Subsidiary are made at fair market value (as determined in good faith by the Borrower) and (iii) the financing terms, covenants, termination events and other provisions thereof shall be market terms (as determined in good faith by the Borrower) and may include Standard Securitization Undertakings. The grant of a security interest in any Securitization Assets of the Borrower or any of its Restricted Subsidiaries (other than a Securitization Subsidiary) to secure Indebtedness hereunder and under any other Credit Agreement or any permitted additional Indebtedness with Pari Passu Lien Priority and any refinancing Indebtedness with respect thereto shall not be deemed a Qualified Securitization Financing.

“Qualifying IPO”: the issuance by the Borrower or any parent company of the Borrower of its common Equity Interests in an underwritten public offering pursuant to the effective registration statement on Form S-1 (Registration No. 333-236298) filed with the Commission in accordance with the Securities Act (whether alone or in connection with a secondary public offering).

“Qualifying Lender”: as defined in Section 4.4(h)(iv)(3).

“Rating Agencies”: Moody’s, S&P and Fitch, or if any or all of Moody’s, S&P or Fitch shall not make a rating on Indebtedness that is secured by the Collateral on a pari passu basis with the Obligations publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Borrower which shall be substituted for any or all of Moody’s, S&P or Fitch, as the case may be.

“Receivable”: a right to receive payment pursuant to an arrangement with another Person pursuant to which such other Person is obligated to pay, as determined in accordance with GAAP.

“Recorded Music Business”: means the subsidiaries and assets constituting the recorded music segment, as defined in the financial statements of the Borrower. At any point in time in which recorded music is not a reported segment of the Borrower, “Recorded Music Business” shall refer to the business that was previously included in this segment.

“Recorded Music Sale”: means the sale of all or substantially all of the Recorded Music Business, which, for the avoidance of doubt, may include assets constituting a portion of the Music Publishing Business not to exceed 10.0% of the total assets constituting the Music Publishing Business.

“refinance”: refinance, refund, replace, renew, repay, modify, restate, defer, substitute, supplement, reissue, resell or extend (including pursuant to any defeasance or discharge mechanism); and the terms “refinances,” “refinanced” and “refinancing” as used for any purpose in this Agreement shall have a correlative meaning.

“Register”: as defined in Section 11.6(b)(iv).

“Regulated Bank”: (x) an Approved Commercial Bank that is (i) a U.S. depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation; (ii) a corporation organized under section 25A of the U.S. Federal Reserve Act of 1913; (iii) a branch, agency or commercial lending company of a foreign bank operating pursuant to approval by and under the supervision of the Board under 12 CFR part 211; (iv) a non-U.S. branch of a foreign bank managed and controlled by a U.S. branch referred to in clause (iii); or (v) any other U.S. or non-U.S. depository institution or any branch, agency or similar office thereof supervised by a bank regulatory authority in any jurisdiction or (y) any Affiliate of a Person set forth in clause (x) to the extent that (1) all of the Capital Stock of such Affiliate is directly or indirectly owned by either (I) such Person set forth in clause (x) or (II) a parent entity that also owns, directly or indirectly, all of the Capital Stock of such Person set forth in clause (x) and (2) such Affiliate is a securities broker or dealer registered with the SEC under Section 15 of the Exchange Act.

“Regulation D”: Regulation D of the Board as in effect from time to time.

“Regulation S-X”: Regulation S-X promulgated by the SEC, as in effect on the Closing Date.

“Related Parties”: with respect to any Person, such Person’s affiliates and the partners, officers, directors, trustees, employees, equity holders, shareholders, members,

attorneys and other advisors, agents and controlling persons of such person and of such person's affiliates and "Related Party." shall mean any of them.

"Relevant Governmental Body": the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"Reportable Event": any of the events set forth in Section 4043(c) of ERISA, other than those events as to which the 30 day notice period is waived under Section 21, 22, 23, 24, 25, 27 or 28 of PBGC Regulation Section 4043 or any successor regulation thereto.

"Required Conversion Date": as defined in Section 4.2(c).

"Required Lenders": Lenders, the sum of whose outstanding Individual Lender Exposures represents a majority of the sum of the Individual Lender Exposures at such time; provided that the Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, Tranche H Term Loan Commitments, Tranche B Term Loans, Tranche C Term Loans, Tranche D Term Loans, Tranche E Term Loans, Tranche F Term Loans ~~and~~, Tranche G Term Loans and Tranche H Term Loans of any Defaulting Lender shall be disregarded from Individual Lender Exposures in the determination of the Required Lenders at any time.

"Requirement of Law": as to any Person, the Organization Documents of such Person, and any law, statute, ordinance, code, decree, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its material property or to which such Person or any of its material property is subject, including laws, ordinances and regulations pertaining to zoning, occupancy and subdivision of real properties; provided that the foregoing shall not apply to any non-binding recommendation of any Governmental Authority.

"Responsible Officer": the chief executive officer, director, president, vice president, executive vice president, chief financial officer, treasurer or assistant treasurer or other similar officer of a Loan Party and, as to any document delivered on the Closing Date, any vice president, secretary or assistant secretary. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restricted Subsidiary": any Subsidiary of the Borrower other than an Unrestricted Subsidiary.

"Reversion Date": as defined in Section 8.9.

"Revolver Second Amendment Closing Date": April 3, 2020.

"Revolving Credit Agreement Indebtedness": Indebtedness in an aggregate principal amount not exceeding the greater of \$400.0 million and 50.0% of EBITDA (for the

Measurement Period applicable at the time such Revolving Credit Agreement Indebtedness is committed) outstanding under the Senior Revolving Credit Agreement, including any guarantees, collateral documents and other instruments, agreements and documents executed or delivered pursuant to or in connection therewith, as the same may be refunded, refinanced, restructured, replaced, renewed, repaid or extended from time to time (whether in whole or in part, whether with the original agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior Revolving Credit Agreement, any other revolving credit agreement, or one or more other credit or financing agreements with a revolving financing component (to the extent of such component)), and in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, and including any agreement changing maturity or increasing the Indebtedness incurred or available to be borrowed (provided that any such increase shall not be deemed to increase the maximum principal amount of Revolving Credit Agreement Indebtedness provided for in this definition), or otherwise altering the terms and conditions thereof.

“Revolving Lender”: a lender under the Senior Revolving Credit Facility.

“Rollover Indebtedness”: means Indebtedness of a Loan Party issued to any Lender in lieu of such Lender’s pro rata portion of any repayment of Term Loans made pursuant to Subsection 4.4(a) or (b), so long as (other than in connection with a refinancing in full of the Facilities) such Indebtedness (1) is incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the sum of (x) the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being refinanced, plus (y) fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such Rollover Indebtedness and (2) would not have a weighted average life to maturity shorter than the weighted average life to maturity, or a maturity date earlier than the Maturity Date of the Term Loans being repaid.

“S&P”: Standard & Poor’s Ratings Group, a division of The McGraw-Hill Companies, Inc., and its successors.

“SEC”: the Securities and Exchange Commission.

“Second Amendment Date”: the date of effectiveness of the Second Amendment, dated July 15, 2016, by and among the Borrower, the other Loan Parties thereto, Holdings, the Lenders party thereto and the Administrative Agent.

“Section 2.8 Additional Amendment”: as defined in Section 2.8(c).

“Secured Hedge Agreement”: any Hedge Agreement that is outstanding as of the Closing Date or that is entered into by and between any Loan Party and any Hedge Bank, and that is designated by the Borrower in writing to the Administrative Agent as being a “secured term loan hedge agreement” as of the Closing Date or, if later, as of the time of entering into such Hedge Agreement.

“Secured Obligations”: all (x) Term Loan Facility Obligations, (y) obligations of any Loan Party arising under any Secured Hedge Agreement (including any guarantee thereof)



and (z) Cash Management Obligations (including any guarantee thereof). Without limiting the generality of the foregoing, the Secured Obligations of the Loan Parties under the Loan Documents include (a) the obligation to pay principal, interest, expenses, fees, Attorney Costs, indemnities and other amounts payable by any Loan Party under any Loan Document and (b) the obligation of any Loan Party to reimburse any amount in respect of any of the foregoing that any Lender, in its sole discretion, may elect to pay or advance on behalf of such Loan Party.

“Secured Parties”: collectively, the Collateral Agent, the Administrative Agent, the Lenders, the Hedge Banks, the cash management banks with respect to Cash Management Obligations and each sub-agent appointed by the Administrative Agent from time to time pursuant to Section 10.

“Securities Act”: the Securities Act of 1933, as amended from time to time.

“Securitization Assets”: any accounts receivable or catalog, royalty or other revenue streams from sales of Product subject to a Qualified Securitization Financing.

“Securitization Expenses”: for any period, the aggregate interest expense for such period on any Indebtedness of any Securitization Subsidiary that is a Restricted Subsidiary, which Indebtedness is not recourse to the Borrower or any Restricted Subsidiary of the Borrower that is not a Securitization Subsidiary (except for Standard Securitization Undertakings).

“Securitization Fees”: reasonable distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Securitization Subsidiary in connection with, any Qualified Securitization Financing.

“Securitization Financing”: any transaction or series of transactions that may be entered into by Holdings or any of its Subsidiaries pursuant to which Holdings or any of its Subsidiaries may sell, convey or otherwise transfer to (a) a Securitization Subsidiary (in the case of a transfer by Holdings or any of its Subsidiaries) or (b) any other Person (in the case of a transfer by a Securitization Subsidiary), or may grant a security interest in, any Securitization Assets (whether now existing or arising in the future) of Holdings or any of its Subsidiaries, and any assets related thereto including, without limitation, all collateral securing such Securitization Assets, all contracts and all guarantees or other obligations in respect of such Securitization Assets, proceeds of such Securitization Assets and other assets which are customarily transferred or in respect of which security interests are customarily granted in connection with asset securitization transactions involving Securitization Assets and any Hedging Obligations entered into by Holdings or any such Subsidiary in connection with such Securitization Assets.

“Securitization Repurchase Obligation”: any obligation of a seller of Securitization Assets in a Qualified Securitization Financing to repurchase Securitization Assets arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.



“Securitization Subsidiary”: a Wholly Owned Subsidiary of Holdings (or another Person formed for the purposes of engaging in a Qualified Securitization Financing in which Holdings or any Subsidiary of Holdings makes an investment and to which Holdings or any Subsidiary of Holdings transfers Securitization Assets and related assets) which engages in no activities other than in connection with the financing of Securitization Assets of Holdings or its Subsidiaries, all proceeds thereof and all rights (contractual and other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of Holdings or such other Person (as provided below) as a Securitization Subsidiary and (a) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by Holdings, the Borrower or any other Subsidiary of Holdings (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is recourse to or obligates Holdings, the Borrower or any other Subsidiary of Holdings in any way other than pursuant to Standard Securitization Undertakings or (iii) subjects any property or asset of Holdings, the Borrower or any other Subsidiary of Holdings, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings, (b) with which none of Holdings, the Borrower or any other Subsidiary of Holdings has any material contract, agreement, arrangement or understanding other than on terms which Holdings reasonably believes to be no less favorable to Holdings, the Borrower or such Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of Holdings and (c) to which none of Holdings, the Borrower or any other Subsidiary of Holdings has any obligation to maintain or preserve such entity’s financial condition or cause such entity to achieve certain levels of operating results. Any such designation by the Board of Directors of Holdings or such other Person shall be evidenced to the Administrative Agent by delivering to the Administrative Agent a certified copy of the resolutions of the Board of Directors of Holdings or such other Person giving effect to such designation and a certificate of a Responsible Officer certifying that such designation complied with the foregoing conditions.

“Security Agreement”: the Security Agreement delivered to the Collateral Agent as of the date hereof, substantially in the form of Exhibit B hereto, as the same may be amended, supplemented, waived or otherwise modified from time to time.

“Security Documents”: the Security Agreement, each Security Agreement Supplement (as defined in the Security Agreement) and any mortgages, security agreements, pledge agreements, Intellectual Property Security Agreements or other instruments evidencing or creating Liens on the assets of Holdings and the Loan Parties to secure the Secured Obligations delivered to the Collateral Agent and the Lenders pursuant to Section 7.12, as amended, restated, amended and restated, supplemented, waived or otherwise modified from time to time, executed by the Loan Parties and Holdings, together with each other security agreement supplement executed and delivered pursuant to Section 7.12 and each other applicable joinder agreement.

“Senior Revolving Credit Agreement”: that certain credit agreement, dated as of January 31, 2018, as amended by that certain First Amendment, dated as of October 9, 2019, ~~and~~ that certain Second Amendment, dated as of April 3, 2020, and that certain Third Amendment, dated as of March 1, 2021, by and among the Borrower, Credit Suisse AG, as the administrative agent, and the lenders party thereto, as the same may be amended, supplemented, refinanced, replaced, waived or otherwise modified from time to time.

“Senior Revolving Credit Facility”: the revolving credit facility under the Senior Revolving Credit Agreement, including any guarantees, collateral documents, instruments and agreements executed in connection therewith.

“Senior Secured Indebtedness”: with respect to any Person, the aggregate amount, without duplication, of Total Indebtedness of such Person as of the end of the most recently ended fiscal quarter for which internal financial statements are available plus the amount of any Total Indebtedness of such Person incurred subsequent to the end of such fiscal quarter and minus the amount of any Total Indebtedness of such Person redeemed, repaid, retired or extinguished subsequent to the end of such fiscal quarter, as determined in accordance with GAAP, secured by Liens other than Permitted Liens (excluding Permitted Liens incurred pursuant to clause (26) of the definition thereof, provided that Revolving Credit Agreement Indebtedness so secured shall be excluded from the calculation of Senior Secured Indebtedness).

In addition, to the extent that any Indebtedness is secured by any Lien pursuant to clause (26)(ii) or (26)(iv) of the definition of “Permitted Liens,” such Indebtedness may be refinanced from time to time with other Indebtedness (including by Indebtedness refinancing any such refinancing Indebtedness) in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) not exceeding the principal amount of, and premium (if any) and accrued interest on, the Indebtedness being refinanced plus any fees, premiums, underwriting discounts, costs and expenses relating to such refinancing, and such refinancing Indebtedness may be secured by any Lien, without further compliance with the Senior Secured Indebtedness to EBITDA Ratio thereunder.

“Senior Secured Indebtedness to EBITDA Ratio”: with respect to the Borrower, the ratio of (x) the Borrower’s Senior Secured Indebtedness, minus an amount of cash and Cash Equivalents held by the Borrower and its Restricted Subsidiaries as of the date of determination not exceeding \$250.0 million, to (y) the Borrower’s EBITDA for the applicable Measurement Period.

For purposes of making the computation referred to above, if any Specified Transaction has been made by the Borrower or any of its Restricted Subsidiaries during the Measurement Period or subsequent to the Measurement Period and on or prior to the date of determination of the Senior Secured Indebtedness to EBITDA Ratio, the Senior Secured Indebtedness to EBITDA Ratio shall be calculated on a pro forma basis assuming that all such Specified Transactions (and the change in EBITDA resulting therefrom) had occurred on the first day of the Measurement Period. If, since the beginning of such Measurement Period, any Person became a Restricted Subsidiary or was merged with or into the Borrower or any of its Restricted Subsidiaries and, since the beginning of such Measurement Period, such Person shall have made any Specified Transaction that would have required adjustment pursuant to the immediately preceding sentence if made by the Borrower or a Restricted Subsidiary since the beginning of such Measurement Period, then the Senior Secured Indebtedness to EBITDA Ratio shall be calculated giving pro forma effect thereto for such period as if such Specified Transaction had occurred at the beginning of such Measurement Period.

For purposes of this definition, whenever pro forma effect is to be given to any Specified Transaction (including the Transactions and the 2011 Transactions), the pro forma

calculations shall be made in good faith by a responsible financial or accounting officer of the Borrower and may include, for the avoidance of doubt, cost savings, operating expense reductions and synergies (including revenue synergies, those related to new business and customer wins, the modifications or renegotiation of contracts and other arrangements and pricing adjustments and increases (in each case, net of any costs or expenses to implement or achieve the foregoing)) resulting from or related to any such Specified Transaction (including the Transactions and the 2011 Transactions) which is being given pro forma effect that have been or are expected to be realized and for which the actions necessary to realize such cost savings, reductions and synergies are taken or expected to be taken no later than 24 months after the date of any such Specified Transaction (in each case as though such cost savings, reductions and synergies had been realized on the first day of the applicable Measurement Period).

In the event that any calculation of the Senior Secured Indebtedness to EBITDA Ratio shall be made as of the date of the initial borrowing of any applicable Indebtedness after giving pro forma effect to the entire committed amount of such Indebtedness (as contemplated by clause (26) of the definition of “Permitted Liens”), such committed amount may thereafter be borrowed and reborrowed, in whole or in part, from time to time, and secured by Liens without further compliance with such ratio, provided that such committed amount shall be included as outstanding Indebtedness in any subsequent calculation of the Senior Secured Indebtedness to EBITDA Ratio, to the extent the commitment therefor then remains outstanding.

“Set”: the collective reference to Eurodollar Loans or SOFR Loans (as applicable) of a single Tranche, the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Eurodollar Loans or SOFR Loans (as applicable) shall originally have been made on the same day).

“Settlement Service”: as defined in Section 11.6(b).

“Seventh Amendment”: the Fifth Incremental Commitment Amendment, dated as of June 7, 2018, by and among the Borrower, the other Loan Parties party thereto, Holdings, the Tranche F Term Lender party thereto and the Administrative Agent.

“Seventh Amendment Closing Date”: the date on which all the conditions precedent set forth in Section 3 of the Seventh Amendment shall be satisfied or waived.

“SOFR”: (x) in respect of clause (x) of the definition of “Term SOFR”, with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York’s Website and (y) in respect of clause (y) of the definition of “Term SOFR”, a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator”: the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Borrowing”: as to any Borrowing, the SOFR Loans comprising such Borrowing.

“SOFR Loan”: a Loan that bears interest at a rate based on Term SOFR, other than pursuant to clause (d) of the definition of “Alternate Base Rate” or Section 4.1(d).

“Solicited Discounted Prepayment Amount”: as defined in Section 4.4(h)(iv)(1).

“Solicited Discounted Prepayment Notice”: an irrevocable written notice of the Borrower Solicitation of Discounted Prepayment Offers made pursuant to Section 4.4(h)(iv) substantially in the form of Exhibit M.

“Solicited Discounted Prepayment Offer”: the irrevocable written offer by each Lender, substantially in the form of Exhibit N, submitted following the Administrative Agent’s receipt of a Solicited Discounted Prepayment Notice.

“Solicited Discounted Prepayment Response Date”: as defined in Section 4.4(h)(iv)(1).

“Solicited Discount Proration”: as defined in Section 4.4(h)(iv)(3).

“Solvent” and “Solvency”: with respect to the Borrower and its Subsidiaries on a consolidated basis after giving effect to the Transactions on the Closing Date means (i) the Fair Value and Present Fair Salable Value of the assets of the Borrower and its Subsidiaries taken as a whole exceed their Stated Liabilities and Identified Contingent Liabilities; (ii) the Borrower and its Subsidiaries taken as a whole do not have Unreasonably Small Capital; and (iii) the Borrower and its Subsidiaries taken as a whole will be able to pay their Stated Liabilities and Identified Contingent Liabilities as they mature (all capitalized terms used in this definition (other than “Borrower” and “Subsidiary” which have the meanings set forth in this Agreement) shall have the meaning assigned to such terms in the form of solvency certificate attached hereto as Exhibit F.

“Special Purpose Entity”: (x) any Special Purpose Subsidiary or (y) any other Person that is engaged in the business of acquiring, selling, collecting, financing or refinancing Receivables, accounts (as defined in the Uniform Commercial Code as in effect in any jurisdiction from time to time), other accounts and/or other receivables, and/or related assets.

“Special Purpose Subsidiary”: any Subsidiary of the Borrower that (a) is engaged solely in (x) the business of (i) acquiring, selling, collecting, financing or refinancing Receivables, accounts (as defined in the Uniform Commercial Code as in effect in any jurisdiction from time to time) and other accounts and receivables (including any thereof constituting or evidenced by chattel paper, instruments or general intangibles), all proceeds thereof and all rights (contractual and other), collateral and other assets relating thereto and/or (ii) owning or holding Capital Stock of any Special Purpose Subsidiary and/or engaging in any financing or refinancing in respect thereof, and (y) any business or activities incidental or related to such business, and (b) is designated as a “Special Purpose Subsidiary” by the Borrower.

“Specified Discount”: as defined in Section 4.4(h)(ii)(1).

“Specified Discount Prepayment Amount”: as defined in Section 4.4(h)(ii)(1).

“Specified Discount Prepayment Notice”: an irrevocable written notice of the Borrower Offer of Specified Discount Prepayment made pursuant to Section 4.4(h)(ii) substantially in the form of Exhibit O.

“Specified Discount Prepayment Response”: the written response by each Lender, substantially in the form of Exhibit P, to a Specified Discount Prepayment Notice.

“Specified Discount Prepayment Response Date”: as defined in Section 4.4(h)(ii)(1).

“Specified Discount Proration”: as defined in Section 4.4(h)(ii)(3).

“Specified Existing Term Tranche”: as defined in Section 2.8(a).

“Specified Transaction”: (a) any designation of operations or assets of the Borrower or a Restricted Subsidiary as discontinued operations (as defined under GAAP), (b) any investment that results in a Person becoming a Restricted Subsidiary, (c) any designation of a Subsidiary as a Restricted Subsidiary or an Unrestricted Subsidiary in compliance with this Agreement, (d) any purchase or other acquisition of a business of any Person, of assets constituting a business unit, line of business or division of any Person or (e) any asset sale or other disposition (i) that results in a Restricted Subsidiary ceasing to be a Subsidiary of the Borrower or (ii) of a business, business unit, line of business or division of the Borrower or a Restricted Subsidiary, in each case whether by merger, consolidation or otherwise.

“Sponsor”: Access Industries, Inc. and any successor in interest thereto.

“Standard Securitization Undertakings”: representations, warranties, covenants and indemnities entered into by Holdings or any Subsidiary of Holdings which the Borrower has determined in good faith to be customary in a Securitization Financing, including, without limitation, those relating to the servicing of the assets of a Securitization Subsidiary, it being understood that any Securitization Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

“Stated Maturity”: with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“Statutory Reserves”: for any day as applied to a Eurodollar Loan, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the United States Federal Reserve System in New York City with deposits exceeding one billion Dollars against “Eurocurrency liabilities” (as such term is used in Regulation D). Eurodollar Loans shall be deemed to constitute Eurocurrency liabilities and to be subject to such reserve requirements without benefit of or credit for proration, exceptions or offsets which may be available from time to time to any Lender under Regulation D.

“Submitted Amount”: as defined in Section 4.4(h)(iii)(1).

“Submitted Discount”: as defined in Section 4.4(h)(iii)(1).

“Subordinated Indebtedness”: (a) with respect to the Borrower, indebtedness of the Borrower that is by its terms subordinated in right of payment to the Term Loans and (b) with respect to any Guarantor, any Indebtedness of such Guarantor that is by its terms subordinated in right of payment to its Guarantee of the Term Loans.

“Subsidiary”: with respect to any specified Person:

(1) any corporation, association or other business entity, of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership, joint venture, limited liability company or similar entity of which (x) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership or otherwise and (y) such Person or any Wholly Owned Restricted Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

“Subsidiary Guarantor”: each Domestic Subsidiary that is a Wholly Owned Subsidiary (other than any Excluded Subsidiary) of the Borrower which executes and delivers the Guarantee pursuant to Section 6.1(a) or a supplement to the Guarantee Agreement pursuant to Section 7.12 or otherwise, in each case, unless and until such time as the respective Subsidiary Guarantor (a) ceases to constitute a Domestic Subsidiary of the Borrower in accordance with the terms and provisions hereof, (b) is designated an Unrestricted Subsidiary pursuant to the terms of this Agreement or (c) is released from all of its obligations under the Guarantee Agreement in accordance with terms and provisions thereof.

“Subsidiary Guarantee”: the guaranty of the Term Loan Facility Obligations of the Borrower under the Loan Documents provided pursuant to the Guarantee Agreement.

“Successor Borrower”: as defined in Section 8.6.

“Supplemental Term Loan Commitments”: as defined in Section 2.6(a).

“Supported QFC”: as defined in Section 11.22(a).

“Suspended Covenants”: as defined in Section 8.9.

“Suspension Date”: as defined in Section 8.9.

“Suspension Period”: as defined in Section 8.9.

“Syndication Agents”: (x) Credit Suisse Loan Funding LLC, BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A. and Morgan Stanley Senior Funding, Inc., each in its capacity as syndication agent for the Tranche G Term Loan Commitments; and (y) Credit Suisse Loan Funding LLC, BofA Securities, Inc., Citigroup Global Markets Inc., Goldman Sachs Lending Partners LLC, JPMorgan Chase Bank, N.A. and Morgan Stanley Senior Funding, Inc., each in its capacity as syndication agent for the Tranche H Term Loan Commitments.

“Taxes”: any and all present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority.

“Tenth Amendment”: the Seventh Incremental Commitment Amendment, dated as of November 1, 2022, by and among the Borrower, the other Loan Parties party thereto, Holdings, the Tranche H Term Lender party thereto and the Administrative Agent.

“Tenth Amendment Closing Date”: the date on which all the conditions precedent set forth in Section 3 of the Tenth Amendment shall be satisfied or waived.

“Term Loan Facility Obligations”: obligations of the Borrower and the other Loan Parties from time to time arising under or in respect of the due and punctual payment of (i) the principal of and premium, if any, and interest (including interest accruing during (or that would accrue but for) the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding) on the Term Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations, including fees, costs, expenses and indemnities, whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of the Borrower and the other Loan Parties under this Agreement and the other Loan Documents.

“Term Loans”: the Initial Term Loans, Tranche B Term Loans, Tranche C Term Loans, Tranche D Term Loans, Tranche E Term Loans, Tranche F Term Loans, Tranche G Term Loans, Tranche H Term Loans, Incremental Term Loans and Extended Term Loans, as the context shall require.

“Term SOFR”: (x) with respect to any Benchmark Replacement for the Tranche G Term Loans, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body; and (y) with respect of the Tranche H Term Loans,

(1) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic



Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(2) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “ABR Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR SOFR Determination Day;

provided that if Term SOFR determined in accordance with the foregoing items (1) or (2) shall be less than 0.50%, Term SOFR shall be deemed to be 0.50% for all purposes of the foregoing items and this Agreement, as applicable.

“Term SOFR Administrator”: CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion, in consultation with the Borrower).

“Term SOFR Reference Rate”: the forward-looking term rate based on SOFR.

“Third Amendment”: the Second Incremental Commitment Amendment, dated as of November 21, 2016, by and among the Borrower, the other Loan Parties party thereto, Holdings, the Tranche C Term Lender party thereto and the Administrative Agent.

“Third Amendment Closing Date”: the date on which all the conditions precedent set forth in Section 3 of the Third Amendment shall be satisfied or waived.

“Threshold Amount”: \$75.0 million.

“Ticking Fee Rate”: as of any day, the rate per annum equal to the percentage of the Applicable Margin applicable to Tranche B Term Loans that are Eurodollar Loans set forth below for such day.



Time Period after First Incremental Amendment Effective Date	Percentage
30 days or less	0%
31 to 60 days	33%
61 to 90 days	66%
91 days or longer	100%

“Total Indebtedness”: with respect to any Person, the aggregate amount, without duplication, of Indebtedness consisting of Indebtedness for borrowed money, Capitalized Lease Obligations, purchase money indebtedness and debt obligations evidenced by bonds, notes, debentures or similar instruments, Disqualified Stock and (in the case of any Restricted Subsidiary that is not a Guarantor) Preferred Stock of such Person as of the end of the most recently ended fiscal quarter for which internal financial statements are available plus the amount of any such Indebtedness of such Person incurred subsequent to the end of such fiscal quarter and minus the amount of any such Indebtedness of such Person redeemed, repaid, retired or extinguished subsequent to the end of such fiscal quarter, as determined in accordance with GAAP (provided that Revolving Credit Agreement Indebtedness shall be excluded from the calculation of Total Indebtedness).

“Tranche”: with respect to Term Loans or commitments, refers to whether such Term Loans or commitments are (1) Initial Term Loans or Initial Term Loan Commitments, (2) Tranche B Term Loans or Tranche B Term Loan Commitments, (3) Tranche C Term Loans or Tranche C Term Loan Commitments, (4) Tranche D Term Loans or Tranche D Term Commitments, (5) Tranche E Term Loans or Tranche E Term Commitments, (6) Tranche F Term Loans or Tranche F Term Commitments, (7) Tranche G Term Loans or Tranche G Term Commitments, (8) [Tranche H Term Loans or Tranche H Term Commitments](#), (9) Incremental Loans or Incremental Commitments with the same terms and conditions made on the same day, or (10) Extended Term Loans (of the same Extension Series). For the avoidance of doubt, the Tranche B Refinancing Term Loans, Tranche B Initial Term Loans and the Tranche B Delayed Draw Term Loans shall be considered an increase in the Tranche B Term Loans and shall not be considered a separate Tranche of Tranche B Term Loans hereunder.

“Tranche B Delayed Draw Closing Date”: the date on which all the conditions precedent set forth in Section 6 of the First Incremental Amendment shall be satisfied or waived.

“Tranche B Delayed Draw Commitment”: as to any Lender, its obligation to make Tranche B Delayed Draw Term Loans to the Borrower pursuant to [Section 2.1\(c\)](#) in an

aggregate amount not to exceed the amount set forth opposite such Lender's name in Schedule A-1 under the heading "Tranche B Delayed Draw Commitment"; collectively as to all the Tranche B Delayed Draw Term Lenders, the "Tranche B Delayed Draw Commitments". The original aggregate amount of the Tranche B Delayed Draw Commitments on the First Incremental Effective Date is \$110 million.

"Tranche B Delayed Draw Commitment Fee": as defined in Section 4.5(d).

"Tranche B Delayed Draw Term Lender": any Lender having a Tranche B Delayed Draw Term Loan Commitment and/or a Tranche B Delayed Draw Term Loan outstanding hereunder.

"Tranche B Delayed Draw Term Loan": as defined in Section 2.1(c). For the avoidance of doubt, the Tranche B Delayed Draw Term Loans shall be considered an increase in the Tranche B Term Loans and shall not be considered a separate Tranche of Tranche B Term Loans hereunder.

"Tranche B Delayed Draw Ticking Fee Period": the period from (A) the date that is 31 days after the First Incremental Amendment Effective Date to (B) the earlier of (i) the Tranche B Delayed Draw Closing Date and (ii) the Tranche B Delayed Draw Outside Date.

"Tranche B Delayed Draw Outside Date": as defined in the First Incremental Amendment.

"Tranche B Initial Outside Date": as defined in the First Incremental Amendment.

"Tranche B Initial Term Lender": any Lender having a Tranche B Initial Term Loan Commitment and/or a Tranche B Initial Term Loan outstanding hereunder.

"Tranche B Initial Term Loan": as defined in Section 2.1(b). For the avoidance of doubt, the Tranche B Initial Term Loans shall be considered an increase in the Tranche B Term Loans and shall not be considered a separate Tranche of Tranche B Term Loans hereunder.

"Tranche B Initial Term Loan Commitment": as to any Lender, its obligation to make Tranche B Initial Term Loans to the Borrower pursuant to Section 2.1(b) in an aggregate amount not to exceed the amount set forth opposite such Lender's name in Schedule A-1 under the heading "Tranche B Initial Term Loan Commitment"; collectively, as to all the Tranche B Initial Term Lenders, the "Tranche B Initial Term Loan Commitments". The original aggregate amount of the Tranche B Initial Term Loan Commitments on the First Incremental Amendment Effective Date is \$710 million.

"Tranche B Initial Term Loan Commitment Fee": as defined in Section 4.5(d).

"Tranche B Initial Term Loan Ticking Fee Period": the period from the date that is 31 days after the First Incremental Amendment Effective Date to the earlier of (i) the First Incremental Amendment Closing Date and (ii) the Tranche B Initial Outside Date.

“Tranche B Refinancing Term Lender”: any Lender having a Tranche B Refinancing Term Loan Commitment and/or a Tranche B Refinancing Term Loan outstanding hereunder.

“Tranche B Refinancing Term Loan”: as defined in Section 2.1(d).

“Tranche B Refinancing Term Loan Commitment”: as to any Lender, its obligation to make Tranche B Refinancing Term Loans to the Borrower pursuant to Section 2.1(d) in an aggregate amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-1 under the heading “Tranche B Refinancing Term Loan Commitment”; collectively, as to all the New Tranche B Refinancing Term Lenders, the “Tranche B Refinancing Term Loan Commitments.” The original aggregate amount of the Tranche B Refinancing Term Loan on the First Incremental Amendment Effective Date is \$490 million.

“Tranche B Term Lender”: any Lender having a Tranche B Term Loan Commitment and/or a Tranche B Term Loan outstanding hereunder.

“Tranche B Term Loan”: (i) prior to the First Incremental Amendment Closing Date, the Tranche B Refinancing Term Loans, (ii) on and after the First Incremental Amendment Closing Date and prior to the Tranche B Delayed Draw Closing Date, the Tranche B Refinancing Term Loans and the Tranche B Initial Term Loans and (iii) thereafter, the Tranche B Refinancing Term Loans, the Tranche B Initial Term Loans and the Tranche B Delayed Draw Term Loans, collectively the “Tranche B Term Loans”. The aggregate principal amount of the Tranche B Term Loans on the Third Amendment Closing Date after giving effect to the incurrence of the Tranche C Term Loans and the application of proceeds thereof shall be \$0.

“Tranche B Term Loan Commitment”: as to any Lender, its Tranche B Refinancing Term Loan Commitment, its Tranche B Initial Term Loan Commitment and its Tranche B Delayed Draw Commitment; collectively, as to all the Tranche B Term Lenders, the “Tranche B Term Loan Commitments”.

“Tranche B Term Loan Maturity Date”: July 1, 2020; provided that in the event that more than \$153 million aggregate principal amount of the Existing Unsecured Notes are outstanding on June 28, 2018 (the “Reference Date”), the “Tranche B Term Loan Maturity Date” shall mean July 2, 2018; provided further that the first proviso of this definition shall not apply if the Senior Secured Indebtedness to EBITDA Ratio for the Borrower as of the Reference Date is less than or equal to 3.50 to 1.00.

“Tranche B Term Loan Repricing Transaction”: other than in connection with a transaction involving a Change of Control, the prepayment in full or in part of the Tranche B Term Loans by the Borrower with the proceeds of secured term loans (including any new, amended or additional loans or Term Loans under this Agreement, whether as a result of an amendment to this Agreement or otherwise), that are broadly marketed or syndicated to banks and other institutional investors in financings similar to the Tranche B Term Loan Facility and having an effective interest cost or weighted average yield (as determined prior to such prepayment by the Administrative Agent consistent with generally accepted financial practice and, in any event, excluding any arrangement, structuring, syndication or commitment fees in

connection therewith, and excluding any performance or ratings based pricing grid that could result in a lower interest rate based on future performance, but including any LIBOR Rate floor or similar floor that is higher than the then applicable LIBOR Rate) that is less than the interest rate for or weighted average yield (as determined prior to such prepayment by the Administrative Agent on the same basis) of the Tranche B Term Loans, including as may be effected through any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the Tranche B Term Loans.

“Tranche C Term Lender”: any Lender having a Tranche C Term Loan Commitment and/or a Tranche C Term Loan outstanding hereunder.

“Tranche C Term Loan”: as defined in Section 2.1(e). The aggregate principal amount of the Tranche C Term Loans on the Fourth Amendment Closing Date after giving effect to the incurrence of the Tranche D Term Loans and the application of proceeds thereof shall be \$0.

“Tranche C Term Loan Commitment”: as to any Lender, its obligation to make Tranche C Term Loans to the Borrower pursuant to Section 2.1(e) in an aggregate amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-2 under the heading “Tranche C Term Loan Commitment”; collectively, as to all the Tranche C Term Lenders, the “Tranche C Term Loan Commitments”. The original aggregate amount of the Tranche C Term Loan Commitments on the Third Amendment Closing Date is \$1,005.975 million.

“Tranche C Term Loan Maturity Date”: November 1, 2023; provided that (i) in the event that (x) more than \$400 million of the aggregate principal amount of the 2014 Senior Secured Notes and the 5.00% Senior Secured Notes due August 1, 2023 are outstanding on January 15, 2022 and (y) the Senior Secured Indebtedness to EBITDA Ratio as of December 31, 2021 is greater than 4.00:1.00, the “Tranche C Term Loan Maturity Date” shall mean January 15, 2022 and (ii) in the event that more than \$190.5 million of the aggregate principal amount of the Borrower’s 6.750% Senior Unsecured Notes due April 15, 2022 are outstanding on January 15, 2022, the “Tranche C Term Loan Maturity Date” shall mean January 15, 2022.

“Tranche C Term Loan Repricing Transaction”: other than in connection with a transaction involving a Change of Control, the prepayment in full or in part of the Tranche C Term Loans by the Borrower with the proceeds of secured term loans (including any new, amended or additional loans or Term Loans under this Agreement, whether as a result of an amendment to this Agreement or otherwise), that are broadly marketed or syndicated to banks and other institutional investors in financings similar to the Tranche C Term Loan Facility and having an effective interest cost or weighted average yield (as determined prior to such prepayment by the Administrative Agent consistent with generally accepted financial practice and, in any event, excluding any arrangement, structuring, syndication or commitment fees in connection therewith, and excluding any performance or ratings based pricing grid that could result in a lower interest rate based on future performance, but including any LIBOR Rate floor or similar floor that is higher than the then applicable LIBOR Rate) that is less than the interest rate for or weighted average yield (as determined prior to such prepayment by the Administrative Agent on the same basis) of the Tranche C Term Loans, including as may be effected through

any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the Tranche C Term Loans.

“Tranche D Term Lender”: any Lender having a Tranche D Term Loan Commitment and/or a Tranche D Term Loan outstanding hereunder.

“Tranche D Term Loan”: as defined in Section 2.1(f). The aggregate principal amount of the Tranche D Term Loans on the Fifth Amendment Closing Date after giving effect to the incurrence of the Tranche E Term Loans and the application of proceeds thereof shall be \$0.

“Tranche D Term Loan Commitment”: as to any Lender, its obligation to make Tranche D Term Loans to the Borrower pursuant to Section 2.1(f) in an aggregate amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-3 under the heading “Tranche D Term Loan Commitment”; collectively, as to all the Tranche D Term Lenders, the “Tranche D Term Loan Commitments”. The original aggregate amount of the Tranche D Term Loan Commitments on the Fourth Amendment Closing Date is \$1,005,975,000.

“Tranche D Term Loan Maturity Date”: November 1, 2023; provided that (i) in the event that (x) more than \$400 million of the aggregate principal amount of the 2014 Senior Secured Notes and the 5.00% Senior Secured Notes due August 1, 2023 are outstanding on January 15, 2022 and (y) the Senior Secured Indebtedness to EBITDA Ratio as of December 31, 2021 is greater than 4.00:1.00, the “Tranche D Term Loan Maturity Date” shall mean January 15, 2022 and (ii) in the event that more than \$190.5 million of the aggregate principal amount of the Borrower’s 6.750% Senior Unsecured Notes due April 15, 2022 are outstanding on January 15, 2022, the “Tranche D Term Loan Maturity Date” shall mean January 15, 2022.

“Tranche D Term Loan Repricing Transaction”: other than in connection with a transaction involving a Change of Control, the prepayment in full or in part of the Tranche D Term Loans by the Borrower with the proceeds of secured term loans (including any new, amended or additional loans or Term Loans under this Agreement, whether as a result of an amendment to this Agreement or otherwise), that are broadly marketed or syndicated to banks and other institutional investors in financings similar to the Tranche D Term Loans and having an effective interest cost or weighted average yield (as determined prior to such prepayment by the Administrative Agent consistent with generally accepted financial practice and, in any event, excluding any arrangement, structuring, syndication or commitment fees in connection therewith, and excluding any performance or ratings based pricing grid that could result in a lower interest rate based on future performance, but including any LIBOR Rate floor or similar floor that is higher than the then applicable LIBOR Rate) that is less than the interest rate for or weighted average yield (as determined prior to such prepayment by the Administrative Agent on the same basis) of the Tranche D Term Loans, including as may be effected through any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the Tranche D Term Loans.

“Tranche E Term Lender”: any Lender having a Tranche E Term Loan Commitment and/or a Tranche E Term Loan outstanding hereunder.

“Tranche E Term Loan”: as defined in Section 2.1(g). The aggregate principal amount of the Tranche E Term Loans on the Seventh Amendment Date after giving effect to the incurrence of the Tranche F Term Loans and the application of proceeds thereof shall be \$0.

“Tranche E Term Loan Commitment”: as to any Lender, its obligation to make Tranche E Term Loans to the Borrower pursuant to Section 2.1(g) in an aggregate amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-4 under the heading “Tranche E Term Loan Commitment”; collectively, as to all the Tranche E Term Lenders, the “Tranche E Term Loan Commitments”. The original aggregate amount of the Tranche E Term Loan Commitments on the Fifth Amendment Closing Date is \$1,005,975,000.

“Tranche E Term Loan Maturity Date”: November 1, 2023; provided that (i) in the event that (x) more than \$400 million of the aggregate principal amount of the 2014 Senior Secured Notes and the 5.00% Senior Secured Notes due August 1, 2023 are outstanding on January 15, 2022 and (y) the Senior Secured Indebtedness to EBITDA Ratio as of December 31, 2021 is greater than 4.50:1.00, the “Tranche E Term Loan Maturity Date” shall mean January 15, 2022 and (ii) in the event that more than \$190.5 million of the aggregate principal amount of the Borrower’s 6.750% Senior Unsecured Notes due April 15, 2022 are outstanding on January 15, 2022, the “Tranche E Term Loan Maturity Date” shall mean January 15, 2022.

“Tranche E Term Loan Repricing Transaction”: other than in connection with a transaction involving a Change of Control, the prepayment in full or in part of the Tranche E Term Loans by the Borrower with the proceeds of secured term loans (including any new, amended or additional loans or Term Loans under this Agreement, whether as a result of an amendment to this Agreement or otherwise), that are broadly marketed or syndicated to banks and other institutional investors in financings similar to the Tranche E Term Loans and having an effective interest cost or weighted average yield (as determined prior to such prepayment by the Administrative Agent consistent with generally accepted financial practice and, in any event, excluding any arrangement, structuring, syndication or commitment fees in connection therewith, and excluding any performance or ratings based pricing grid that could result in a lower interest rate based on future performance, but including any LIBOR Rate floor or similar floor that is higher than the then applicable LIBOR Rate) that is less than the interest rate for or weighted average yield (as determined prior to such prepayment by the Administrative Agent on the same basis) of the Tranche E Term Loans, including as may be effected through any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the Tranche E Term Loans.

“Tranche F Term Lender”: any Lender having a Tranche F Term Loan Commitment and/or a Tranche F Term Loan outstanding hereunder.

“Tranche F Term Loan”: as defined in Section 2.1(h). The aggregate principal amount of the Tranche F Term Loans on the Eighth Amendment Date after giving effect to the incurrence of the Tranche G Term Loans and the application of proceeds thereof shall be \$0.

“Tranche F Term Loan Commitment”: as to any Lender, its obligation to make Tranche F Term Loans to the Borrower pursuant to Section 2.1(h) in an aggregate amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-5 under the heading

“Tranche F Term Loan Commitment”; collectively, as to all the Tranche F Term Lenders, the “Tranche F Term Loan Commitments”. The original aggregate amount of the Tranche F Term Loan Commitments on the Seventh Amendment Closing Date is \$1,325,975,000.

“Tranche F Term Loan Maturity Date”: November 1, 2023.

“Tranche F Term Loan Repricing Transaction”: the prepayment in full or in part of the Tranche F Term Loans by the Borrower with the proceeds of secured term loans (including any new, amended or additional loans or Term Loans under this Agreement, whether as a result of an amendment to this Agreement or otherwise), that are broadly marketed or syndicated to banks and other institutional investors in financings similar to the Tranche F Term Loans and having an effective interest cost or weighted average yield (as determined prior to such prepayment by the Administrative Agent consistent with generally accepted financial practice and, in any event, excluding any arrangement, structuring, syndication or commitment fees in connection therewith, and excluding any performance or ratings based pricing grid that could result in a lower interest rate based on future performance, but including any LIBOR Rate floor or similar floor that is higher than the then applicable LIBOR Rate) that is less than the interest rate for or weighted average yield (as determined prior to such prepayment by the Administrative Agent on the same basis) of the Tranche F Term Loans, including as may be effected through any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the Tranche F Term Loans; provided that a Tranche F Term Loan Repricing Transaction shall not include any event described above that is not consummated for the primary purpose of lowering the effective interest cost or weighted average yield applicable to the Tranche F Term Loans, including, without limitation, in the context of a transaction involving a Qualifying IPO, a Change of Control or a Transformative Acquisition.

“Tranche G Term Lender”: any Lender having a Tranche G Term Loan Commitment and/or a Tranche G Term Loan outstanding hereunder.

“Tranche G Term Loan”: as defined in Section 2.1(i).

“Tranche G Term Loan Commitment”: as to any Lender, its obligation to make Tranche G Term Loans to the Borrower pursuant to Section 2.1(i) in an aggregate amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-6 under the heading “Tranche G Term Loan Commitment”; collectively, as to all the Tranche G Term Lenders, the “Tranche G Term Loan Commitments”. The original aggregate amount of the Tranche G Term Loan Commitments on the Eighth Amendment Closing Date is \$820,000,000.

“Tranche G Term Loan Maturity Date”: January 20, 2028.

“Tranche G Term Loan Repricing Transaction”: the prepayment in full or in part of the Tranche G Term Loans by the Borrower with the proceeds of secured term loans (including any new, amended or additional loans or Term Loans under this Agreement, whether as a result of an amendment to this Agreement or otherwise), that are broadly marketed or syndicated to banks and other institutional investors in financings similar to the Tranche G Term Loans and having an effective interest cost or weighted average yield (as determined prior to such prepayment by the Administrative Agent consistent with generally accepted financial



practice and, in any event, excluding any arrangement, structuring, syndication or commitment fees in connection therewith, and excluding any performance or ratings based pricing grid that could result in a lower interest rate based on future performance, but including any LIBOR Rate floor or similar floor that is higher than the then applicable LIBOR Rate) that is less than the interest rate for or weighted average yield (as determined prior to such prepayment by the Administrative Agent on the same basis) of the Tranche G Term Loans, including as may be effected through any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the Tranche G Term Loans; provided that a Tranche G Term Loan Repricing Transaction shall not include any event described above that is not consummated for the primary purpose of lowering the effective interest cost or weighted average yield applicable to the Tranche G Term Loans, including, without limitation, in the context of a transaction involving a Qualifying IPO, a Change of Control or a Transformative Acquisition.

“Tranche H Term Lender”: any Lender having a Tranche H Term Loan Commitment and/or a Tranche H Term Loan outstanding hereunder.

“Tranche H Term Loan”: as defined in Section 2.1(i).

“Tranche H Term Loan Commitment”: as to any Lender, its obligation to make Tranche H Term Loans to the Borrower pursuant to Section 2.1(i) in an aggregate amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-7 under the heading “Tranche H Term Loan Commitment”; collectively, as to all the Tranche H Term Lenders, the “Tranche H Term Loan Commitments”. The original aggregate amount of the Tranche H Term Loan Commitments on the Tenth Amendment Closing Date is \$150,000,000.

“Tranche H Term Loan Maturity Date”: January 20, 2028.

“Tranche H Term Loan Repricing Transaction”: the prepayment in full or in part of the Tranche H Term Loans by the Borrower with the proceeds of secured term loans (including any new, amended or additional loans or Term Loans under this Agreement, whether as a result of an amendment to this Agreement or otherwise), that are broadly marketed or syndicated to banks and other institutional investors in financings similar to the Tranche H Term Loans and having an effective interest cost or weighted average yield (as determined prior to such prepayment by the Administrative Agent consistent with generally accepted financial practice and, in any event, excluding any arrangement, structuring, syndication or commitment fees in connection therewith, and excluding any performance or ratings based pricing grid that could result in a lower interest rate based on future performance, but including any Term SOFR floor or similar floor that is higher than the then applicable Term SOFR) that is less than the interest rate for or weighted average yield (as determined prior to such prepayment by the Administrative Agent on the same basis) of the Tranche H Term Loans, including as may be effected through any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the Tranche H Term Loans; provided that a Tranche H Term Loan Repricing Transaction shall not include any event described above that is not consummated for the primary purpose of lowering the effective interest cost or weighted average yield applicable to the Tranche H Term Loans, including, without limitation, in the context of a transaction involving a Qualifying IPO, a Change of Control or a Transformative Acquisition.



“Transactions”: collectively, any or all of the following: (i) the entry into the 2012 Senior Secured Notes Indenture and the offer and issuance of the 2012 Senior Secured Notes, (ii) the entry into this Agreement and incurrence of Indebtedness hereunder, (iii) the entry into the senior revolving credit agreement dated on or about the Closing Date and the incurrence of Indebtedness thereunder, (iv) the repayment of certain existing Indebtedness of the Borrower, including the redemption of the Borrower’s 9.50% Senior Secured Notes due 2016, (v) the solicitation of certain consents and related amendments with respect to the Existing Unsecured Notes and Holdings Notes and (vi) all other transactions relating to any of the foregoing (including payment of fees and expenses related to any of the foregoing).

“Transferee”: any Participant or Assignee.

“Transformative Acquisition”: any acquisition by the Borrower or any Restricted Subsidiary that is either (a) not permitted by the terms of the Loan Documents immediately prior to the consummation of such transaction or (b) if permitted by the terms of the Loan Documents immediately prior to the consummation of such transaction, would not provide the Borrower and its Restricted Subsidiaries with adequate flexibility under the Loan Documents for the continuation and/or expansion of their combined operations following such consummation, as reasonably determined by the Borrower acting in good faith.

“Trigger Date”: July 27, 2016.

“Type”: the type of Term Loan determined based on the interest option applicable thereto, with there being ~~two~~three Types of Term Loans hereunder, namely ABR Loans ~~and~~, Eurodollar Loans and SOFR Loans.

“UCC”: the Uniform Commercial Code as in effect in the State of New York from time to time.

“Unadjusted Benchmark Replacement” means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

“United States Person”: any United States person within the meaning of Section 7701(a)(30) of the Code.

“Unrestricted Subsidiary”: (i) WMG Kensington, Ltd., and its Subsidiaries, (ii) any Subsidiary of the Borrower that at the time of determination is an Unrestricted Subsidiary (as designated by the Board of Directors of the Borrower, as provided below) and (iii) any Subsidiary of an Unrestricted Subsidiary. The Board of Directors of the Borrower may designate any Subsidiary of the Borrower (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Equity Interests or Indebtedness of, or owns or holds any Lien on, any property of, the Borrower or any Subsidiary of the Borrower (other than any Subsidiary of the Subsidiary to be so designated); provided that (a) any Unrestricted Subsidiary must be an entity of which shares of the Capital Stock or other equity interests (including partnership interests) entitled to cast at least a majority of the votes that may be cast by all shares or equity interests having ordinary voting power for the election of directors or other governing body are

owned, directly or indirectly, by the Borrower and (b) each of (I) the Subsidiary to be so designated and (II) its Subsidiaries does not at the time of designation, and does not thereafter,

(1) create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of the Borrower or any Restricted Subsidiary; or

(2) own assets constituting part of the Music Publishing Business in excess of 10.0% of the total assets constituting the Music Publishing Business.

The Board of Directors of the Borrower may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that, immediately after giving effect to such designation, no Default or Event of Default shall be continuing. Any such designation by such Board of Directors shall be notified by the Borrower to the Administrative Agent by promptly filing with the Administrative Agent a copy of the board resolution giving effect to such designation and a certificate of a Responsible Officer certifying that such designation complied with the foregoing provisions.

“U.S. Government Securities Business Day”: any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Special Resolution Regimes”: as defined in Section 11.22(a).

“U.S. Tax Compliance Certificate”: as defined in Section 4.11(b)(ii)(2).

“Voting Stock”: as to any Person, the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

“Wholly Owned Restricted Subsidiary”: any Restricted Subsidiary that is a Wholly Owned Subsidiary.

“Wholly Owned Subsidiary”: of any Person means a subsidiary of such Person of which securities (except for (a) directors’ qualifying shares, (b) shares held by nominees and (c) shares held by foreign nationals as required by applicable Law) or other ownership interests representing 100% of the Capital Stock are, at the time any determination is being made, owned, Controlled or held by such Person or one or more wholly owned Subsidiaries of such Person or by such Person and one or more wholly owned Subsidiaries of such Person.

“Write-Down and Conversion Powers”: with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.2 Other Definitional Provisions. Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in any Notes, any other Loan Document or any certificate or other document made or delivered pursuant hereto.

(a) As used herein and in any Notes and any other Loan Document, and any certificate or other document made or delivered pursuant hereto or thereto, accounting terms relating to the Borrower and its Restricted Subsidiaries not defined in Section 1.1 and accounting terms partly defined in Section 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP.

(b) The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Section, Schedule and Exhibit references are to this Agreement unless otherwise specified. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. With respect to any Default or Event of Default, the words “exists,” “is continuing” or similar expressions with respect thereto shall mean that such Default or Event of Default has occurred and has not yet been cured or waived. If any Default or Event of Default has occurred hereunder (any such Default or Event of Default, an “Initial Default”) and is subsequently cured (a “Cured Default”), any other Default, Event of Default or failure of a condition precedent that resulted or may have resulted from (i) the making or deemed making of any representation or warranty by any Loan Party or (ii) the taking of any action or omission by any Loan Party or any Subsidiary of any Loan Party, in each case which subsequent Default, Event of Default or failure would not have arisen had the Cured Default not been continuing at the time of such representation, warranty, action or omission, shall be deemed to automatically be cured or satisfied, as applicable, upon, and simultaneously with, the cure of the Cured Default, so long as at the time of such representation, warranty, action or omission, no Responsible Officer of the Borrower had knowledge of any such Initial Default. To the extent not already so notified, the Borrower will provide prompt written notice of any such automatic cure to the Administrative Agent after a Responsible Officer of the Borrower knows of the occurrence of any such automatic cure.

(c) For purposes of determining any financial ratio or making any financial calculation for any fiscal quarter (or portion thereof) ending prior to the Closing Date, the components of such financial ratio or financial calculation shall be determined on a pro forma basis to give effect to the 2011 Transactions as if they had occurred at the beginning of such four quarter period; and each Person that is a Restricted Subsidiary upon giving effect to the 2011 Transactions shall be deemed to be a Restricted Subsidiary for purposes of the components of such financial ratio financial calculation as of the beginning of such four quarter period. In addition, for purposes of determining any financial ratio or making any financial calculation for any fiscal quarter (or portion thereof) ending prior to the Closing Date, the components of such financial ratio or financial calculation shall be determined on a pro forma basis to give effect to the Transactions as if they had occurred at the beginning of such four quarter period.

(d) Any financial ratios, including any required to be satisfied in order for a specific action to be permitted under this Agreement, shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

(e) Any references in this Agreement to “cash and/or Cash Equivalents”, “cash, Cash Equivalents and/or Investment Grade Securities” or any similar combination of the foregoing shall be construed as not double counting cash or any other applicable amount which would otherwise be duplicated therein.

(f) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(g) In connection with any action being taken in connection with a Limited Condition Transaction, for purposes of determining compliance with any provision of this Agreement which requires that no Default, Event of Default, specified Default or specified Event of Default, as applicable, has occurred, is continuing or would result from any such action, as applicable, such condition shall, at the option of the Borrower, be deemed satisfied, so long as no Default, Event of Default, specified Default or specified Event of Default, as applicable, exists on the date (x) a definitive agreement for such Limited Condition Transaction is entered into, (y) in connection with an acquisition to which the United Kingdom City Code on Takeovers and Mergers (or any equivalent thereof under the laws, rules or regulations in any other applicable jurisdiction) applies, on which a “Rule 2.7 announcement” of a firm intention to make an offer in respect of a target of a Limited Condition Transaction is made (or the equivalent notice under such equivalent laws, rules or regulations in such other applicable jurisdiction) or (z) notice of redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock is given. For the avoidance of doubt, if the Borrower has exercised its option under the first sentence of this clause (g), and any Default, Event of Default, specified Default or specified Event of Default, as applicable, occurs following the date (x) a definitive agreement for the applicable Limited Condition Transaction was entered into, (y) in connection with an acquisition to which the United Kingdom City Code on Takeovers and Mergers (or any equivalent thereof under the laws, rules or regulations in any other applicable jurisdiction) applies, on which a “Rule 2.7 announcement” of a firm intention to make an offer in respect of a target of a Limited Condition Transaction is made (or the equivalent notice under such equivalent laws, rules or regulations in such other applicable jurisdiction) or (z) notice of redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock is given and prior to the consummation of such Limited Condition Transaction, any such Default, Event of Default, specified Default or specified Event of Default, as applicable, shall be deemed to not have occurred or be continuing for purposes of determining whether any action being taken in connection with such Limited Condition Transaction is permitted hereunder.

(h) In connection with any action being taken in connection with a Limited Condition Transaction, for purposes of:

(a) determining compliance with any provision of this Agreement which requires the calculation of the First Lien Indebtedness to EBITDA Ratio, the Senior Secured Indebtedness to EBITDA Ratio or any other financial measure;

(b) testing baskets set forth in this Agreement (including baskets measured as a percentage of EBITDA); or

(c) any other determination as to whether any such Limited Condition Transaction and any related transactions (including any financing thereof) complies with the covenants or agreements contained in this Agreement;

in each case, at the option of the Borrower (the Borrower's election to exercise such option in connection with any Limited Condition Transaction, an "LCT Election"), the date of determination of whether any such action is permitted hereunder, shall be deemed to be the date (x) a definitive agreement for such Limited Condition Transaction is entered into, (y) in connection with an acquisition to which the United Kingdom City Code on Takeovers and Mergers (or any equivalent thereof under the laws, rules or regulations in any other applicable jurisdiction) applies, the date on which a "Rule 2.7 announcement" of a firm intention to make an offer in respect of a target of a Limited Condition Transaction is made (or the equivalent notice under such equivalent laws, rules or regulations in such other applicable jurisdiction) or (z) notice of redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock is given, as applicable (the "LCT Test Date"), and if, after giving pro forma effect to the Limited Condition Transaction and the other transactions to be entered into in connection therewith (including any incurrence or discharge of Indebtedness and Liens and the use of proceeds thereof) as if they had occurred at the beginning of the most recent four consecutive fiscal quarters of the Borrower ending prior to the LCT Test Date for which consolidated financial statements of the Borrower are available, the Borrower could have taken such action on the relevant LCT Test Date in compliance with such ratio, basket or amount, such ratio, basket or amount shall be deemed to have been complied with; provided that (a) if financial statements for one or more subsequent fiscal years or quarters shall have been delivered pursuant to Section 7.1(a) or 7.1(b) prior to the date on which such Limited Condition Transaction is consummated, the Borrower may elect, in its sole discretion, to re-determine all such ratios, baskets or amounts on the basis of such financial statements, in which case, such date of redetermination shall thereafter be deemed to be the applicable LCT Test Date for purposes of such ratios, baskets or amounts and (b) except as contemplated in the foregoing clause (a), compliance with such ratios, baskets or amounts (and any related requirements and conditions) shall not be determined or tested at any time after the applicable LCT Test Date for such Limited Condition Transaction and any actions or transactions related thereto (including any incurrence or discharge of Indebtedness and Liens and the use of proceeds thereof). For the avoidance of doubt, if the Borrower has made an LCT Election and any of the ratios, baskets or amounts for which compliance was determined or tested as of the LCT Test Date are exceeded as a result of fluctuations in any such ratio, basket or amount, including due to fluctuations in exchange rates or in EBITDA of the Borrower or the Person subject to such Limited Condition Transaction or any applicable currency exchange rate, at or prior to the consummation of the relevant transaction or action, such ratios, baskets or amounts will not be deemed to have been exceeded as a result of such fluctuations. If the Borrower has made an LCT Election for any Limited Condition Transaction, then in connection with any subsequent calculation of any ratio, basket or amount with respect to the

Incurrence or discharge of Indebtedness or Liens, or the making of dividends, distributions, investments, asset sales, mergers, the conveyance, lease or other transfer of all or substantially all of the assets of the Borrower or the designation of an Unrestricted Subsidiary on or following the relevant LCT Test Date and prior to the earlier of the date on which (1) such Limited Condition Transaction is consummated, (2) the definitive agreement for, or firm offer in respect of, such Limited Condition Transaction (if an acquisition or investment) is terminated or expires without consummation of such Limited Condition Transaction or (3) such notice of redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness, Disqualified Stock or Preferred Stock is revoked or expires without consummation, any such ratio, basket or amount shall be calculated on a pro forma basis assuming such Limited Condition Transaction and other transactions in connection therewith (including any incurrence or discharge of Indebtedness and Liens and the use of proceeds thereof) have been consummated.

(i) Any reference herein or in any other Loan Document to (i) a transfer, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (collectively, a “Division”), as if it were a transfer, assignment, sale or transfer, or similar term, as applicable, to a separate Person, and (ii) a merger, consolidation, amalgamation or consolidation, or similar term, shall be deemed to apply to the division of or by a limited liability company, or an allocation of assets to a series of a limited liability company, or the unwinding of such a division or allocation, as if it were a merger, consolidation, amalgamation or consolidation or similar term, as applicable, with a separate Person.

## SECTION 2

### Amount and Terms of Commitments

2.1 Term Loans. (a) Subject to the terms and conditions hereof, each Lender holding an Initial Term Loan Commitment severally agrees to make, in Dollars, in a single draw on the Closing Date, one or more term loans (each, an “Initial Term Loan”) to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender’s name in Schedule A under the heading “Initial Term Loan Commitment”, as such amount may be adjusted or reduced pursuant to the terms hereof, which Initial Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Initial Term Loan Commitment of such Lender.

Once repaid, Initial Term Loans incurred hereunder may not be reborrowed. On the Closing Date (after giving effect to the incurrence of Initial Term Loans on such date), the Initial Term Loan Commitment of each Lender shall terminate.

(b) Subject to the conditions set forth in the First Incremental Amendment and in accordance with the terms hereof, each Tranche B Initial Term Lender severally agrees to make, in Dollars, in a single draw on the First Incremental Amendment Closing Date one or more term loans (each such term loan made on the First Incremental Amendment Closing Date, a “Tranche B Initial Term Loan”) to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-1 under the heading “Tranche B Initial Term Loan Commitment”, as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche B Initial Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche B Initial Term Loan Commitment of such Lender.

Once repaid, Tranche B Initial Term Loans incurred hereunder may not be reborrowed. Notwithstanding the foregoing, on the Tranche B Initial Outside Date, all outstanding Tranche B Initial Term Loan Commitments shall automatically terminate if the First Incremental Amendment Closing Date shall not have occurred on or prior to the Tranche B Initial Outside Date. On the First Incremental Amendment Closing Date (after giving effect to the incurrence of Tranche B Initial Term Loans on such date), the Tranche B Initial Term Loan Commitment of each Lender shall terminate.

(c) Subject to the conditions set forth in the First Incremental Amendment and in accordance with the terms hereof, each Tranche B Delayed Draw Term Lender severally agrees to make, in Dollars, in a single draw on the Tranche B Delayed Draw Closing Date, one or more term loans (each such term loan, a “Tranche B Delayed Draw Term Loan”) to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-1 under the heading “Tranche B Delayed Draw Commitment”, as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche B Delayed Draw Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche B Delayed Draw Commitment of such Lender.

Once repaid, Tranche B Delayed Draw Term Loans incurred hereunder may not be reborrowed. Notwithstanding the foregoing, on the Tranche B Delayed Draw Outside Date, all outstanding Tranche B Delayed Draw Commitments shall automatically terminate if the Tranche B Delayed Draw Closing Date shall not have occurred on or prior to the Tranche B Delayed Draw Outside Date. On the Tranche B Delayed Draw Closing Date (after giving effect to the incurrence of any Tranche B Delayed Draw Term Loans on such date), the Tranche B Delayed Draw Commitment of each Lender shall terminate.

(d) Subject to the conditions set forth in the First Incremental Amendment and in accordance with the terms hereof, each Tranche B Refinancing Term Lender severally agrees



to make, in Dollars, in a single draw on the First Incremental Amendment Effective Date, one or more term loans (each such term loan made on the First Incremental Amendment Effective Date, the "Tranche B Refinancing Term Loan") to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name in Schedule A-1 under the heading "Tranche B Refinancing Term Loan Commitment", as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche B Refinancing Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche B Refinancing Term Loan Commitment of such Lender.

Once repaid, Tranche B Refinancing Term Loans incurred hereunder may not be reborrowed. On the First Incremental Amendment Effective Date (after giving effect to the incurrence of Tranche B Refinancing Term Loans on such date), the Tranche B Refinancing Term Loan Commitment of each Lender shall terminate.

(e) Subject to the conditions set forth in the Third Amendment and in accordance with the terms hereof, each Tranche C Term Lender severally agrees to make, in Dollars, in a single draw on the Third Amendment Closing Date one or more term loans (each such term loan made on the Third Amendment Closing Date, a "Tranche C Term Loan") to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name in Schedule A-2 under the heading "Tranche C Term Loan Commitment", as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche C Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche C Term Loan Commitment of such Lender.

Once repaid, Tranche C Term Loans incurred hereunder may not be reborrowed. On the Third Amendment Closing Date (after giving effect to the incurrence of Tranche C Term Loans on such date), the Tranche C Term Loan Commitment of each Lender shall terminate.

(f) Subject to the conditions set forth in the Fourth Amendment and in accordance with the terms hereof, each Tranche D Term Lender severally agrees to make, in Dollars, in a single draw on the Fourth Amendment Closing Date one or more term loans (each such term loan made on the Fourth Amendment Closing Date, a "Tranche D Term Loan") to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name in Schedule A-3 under the heading "Tranche D Term Loan Commitment", as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche D Term Loans:



(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche D Term Loan Commitment of such Lender.

Once repaid, Tranche D Term Loans incurred hereunder may not be reborrowed. On the Fourth Amendment Closing Date (after giving effect to the incurrence of Tranche D Term Loans on such date), the Tranche D Term Loan Commitment of each Lender shall terminate.

(g) Subject to the conditions set forth in the Fifth Amendment and in accordance with the terms hereof, each Tranche E Term Lender severally agrees to make, in Dollars, in a single draw on the Fifth Amendment Closing Date one or more term loans (each such term loan made on the Fifth Amendment Closing Date, a "Tranche E Term Loan") to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name in Schedule A-4 under the heading "Tranche E Term Loan Commitment", as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche E Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche E Term Loan Commitment of such Lender.

Once repaid, Tranche E Term Loans incurred hereunder may not be reborrowed. On the Fifth Amendment Closing Date (after giving effect to the incurrence of Tranche E Term Loans on such date), the Tranche E Term Loan Commitment of each Lender shall terminate.

(h) Subject to the conditions set forth in the Seventh Amendment and in accordance with the terms hereof, each Tranche F Term Lender severally agrees to make, in Dollars, in a single draw on the Seventh Amendment Closing Date one or more term loans (each such term loan made on the Seventh Amendment Closing Date, a "Tranche F Term Loan") to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender's name in Schedule A-5 under the heading "Tranche F Term Loan Commitment", as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche F Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche F Term Loan Commitment of such Lender.

Once repaid, Tranche F Term Loans incurred hereunder may not be reborrowed. On the Seventh Amendment Closing Date (after giving effect to the incurrence of Tranche F

Term Loans on such date), the Tranche F Term Loan Commitment of each Lender shall terminate.

(i) Subject to the conditions set forth in the Eighth Amendment and in accordance with the terms hereof, each Tranche G Term Lender severally agrees to make, in Dollars, in a single draw on the Eighth Amendment Closing Date one or more term loans (each such term loan made on the Eighth Amendment Closing Date, a “Tranche G Term Loan”) to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-6 under the heading “Tranche G Term Loan Commitment”, as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche G Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or Eurodollar Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche G Term Loan Commitment of such Lender.

Once repaid, Tranche G Term Loans incurred hereunder may not be reborrowed. On the Eighth Amendment Closing Date (after giving effect to the incurrence of Tranche G Term Loans on such date), the Tranche G Term Loan Commitment of each Lender shall terminate.

(j) Subject to the conditions set forth in the Tenth Amendment and in accordance with the terms hereof, each Tranche H Term Lender severally agrees to make, in Dollars, in a single draw on the Tenth Amendment Closing Date one or more term loans (each such term loan made on the Tenth Amendment Closing Date, a “Tranche H Term Loan”) to the Borrower in an aggregate principal amount not to exceed the amount set forth opposite such Lender’s name in Schedule A-7 under the heading “Tranche H Term Loan Commitment”, as such amount may be adjusted or reduced pursuant to the terms hereof, which Tranche H Term Loans:

(i) except as hereinafter provided, shall, at the option of the Borrower, be incurred and maintained as, and/or converted into, ABR Loans or SOFR Loans; and

(ii) shall be made by each such Lender in an aggregate principal amount which does not exceed the Tranche H Term Loan Commitment of such Lender.

Once repaid, Tranche H Term Loans incurred hereunder may not be reborrowed. On the Tenth Amendment Closing Date (after giving effect to the incurrence of Tranche H Term Loans on such date), the Tranche H Term Loan Commitment of each Lender shall terminate.

2.2 Notes. (a) The Borrower agrees that, upon the request to the Administrative Agent by any Lender made on or prior to the Closing Date (in the case of requests relating to Initial Term Loans), the First Incremental Amendment Effective Date (in the case of requests relating to Tranche B Refinancing Term Loans), the First Incremental Amendment Closing Date (in the case of requests relating to Tranche B Initial Term Loans), the Tranche B Delayed Draw Closing Date (in the case of requests relating to Tranche B Delayed

Draw Term Loans), the Third Amendment Closing Date (in the case of requests relating to the Tranche C Term Loans), the Fourth Amendment Closing Date (in the case of requests relating to the Tranche D Term Loans), the Fifth Amendment Closing Date (in the case of requests relating to the Tranche E Term Loans), the Seventh Amendment Closing Date (in the case of requests relating to the Tranche F Term Loans), the Eighth Amendment Closing Date (in the case of requests relating to the Tranche G Term Loans), [the Tenth Amendment Closing Date \(in the case of requests relating to the Tranche H Term Loans\)](#) or in connection with any assignment pursuant to [Section 11.6\(b\)](#), in order to evidence such Lender's Loan, the Borrower will execute and deliver to such Lender a promissory note substantially in the form of [Exhibit A](#) (each, as amended, supplemented, replaced or otherwise modified from time to time, a "Note"), in each case with appropriate insertions therein as to payee, date and principal amount, payable to such Lender and in a principal amount equal to the unpaid principal amount of the applicable Loans made (or acquired by assignment pursuant to [Section 11.6\(b\)](#)) by such Lender to the Borrower. Each Note (i) in respect of Initial Term Loans shall be dated the Closing Date, (ii) in respect of Tranche B Refinancing Term Loans shall be dated the First Incremental Amendment Effective Date, (iii) in respect of Tranche B Initial Term Loans shall be dated the First Incremental Amendment Closing Date, (iv) in respect of Tranche B Delayed Draw Term Loans shall be dated the Tranche B Delayed Draw Closing Date, (v) in respect of Tranche C Term Loans shall be dated the Third Amendment Closing Date, (vi) in respect of Tranche D Term Loans shall be dated the Fourth Amendment Closing Date, (vii) in respect of Tranche E Term Loans shall be dated the Fifth Amendment Closing Date, (viii) in respect of Tranche F Term Loans shall be dated the Seventh Amendment Closing Date ~~and~~, (ix) in respect of Tranche G Term Loans shall be dated the Eighth [Amendment Closing Date](#) and (x) [in respect of Tranche H Term Loans shall be dated the Tenth Amendment Closing Date](#). Each Note shall be payable as provided in [Section 2.2\(b\)](#), (c), (d) or (e), as applicable, and provide for the payment of interest in accordance with [Section 4.1](#). For the avoidance of doubt, any Notes issued with respect to Tranche B Term Loans shall reflect that, following the Tranche B Delayed Draw Closing Date, all Tranche B Refinancing Term Loans, Tranche B Initial Term Loans and Tranche B Delayed Draw Term Loans constitute a single Tranche of Tranche B Term Loans.

(b) The Initial Term Loans of all the Lenders shall be payable in consecutive quarterly installments beginning on March 29, 2013 up to and including the Initial Term Loan Maturity Date (subject to reduction as provided in [Section 4.4](#)), on the dates (or, if any day is not a Business Day, on the immediately preceding Business Day) and in the principal amounts, subject to adjustment as set forth below, equal to the respective amounts set forth below (together with all accrued interest thereon) opposite the applicable installment dates (or, if less, the aggregate amount of such Initial Term Loans then outstanding):

<u>Date</u>	<u>Amount</u>
Each March 31, June 30, September 30 and December 31 ending prior to the Initial Term Loan Maturity Date	1.25% of the aggregate initial principal amount of the Initial Term Loans on the Closing Date

<u>Date</u>	<u>Amount</u>
Initial Term Loan Maturity Date	all unpaid aggregate principal amounts of any outstanding Initial Term Loans

(c) The Tranche B Term Loans of all the Lenders shall be payable in consecutive quarterly installments beginning on December 31, 2013 up to and including the Tranche B Term Loan Maturity Date (subject to reduction as provided in Section 4.4), on the dates (or, if any day is not a Business Day, on the immediately preceding Business Day) and in the principal amounts, subject to adjustment as set forth below, equal to the respective amounts set forth below (together with all accrued interest thereon) opposite the applicable installment dates (or, if less, the aggregate amount of such Tranche B Term Loans then outstanding):

<u>Date</u>	<u>Amount</u>
Each March 31, June 30, September 30 and December 31 ending prior to the Tranche B Term Loan Maturity Date	<u>Prior to the First Incremental Amendment Closing Date</u> : 0.25% of the aggregate initial principal amount of the Tranche B Refinancing Term Loans on the First Incremental Amendment Effective Date
	<u>From the First Incremental Amendment Closing Date and Prior to the Tranche B Delayed Draw Closing Date</u> : 0.25% of the aggregate initial principal amount of the Tranche B Refinancing Term Loans on the First Incremental Amendment Effective Date <i>plus</i> 0.25% of the aggregate initial principal amount of the Tranche B Initial Term Loans on the First Incremental Amendment Closing Date
	<u>On or after the Tranche B Delayed Draw Closing Date</u> : 0.25% of the aggregate initial principal amount of the Tranche B Refinancing Term Loans on the First Incremental Amendment Effective Date <i>plus</i> 0.25% of the aggregate initial principal amount of the Tranche B

<u>Date</u>	<u>Amount</u>
	Initial Term Loans on the First Incremental Amendment Closing Date <i>plus</i> 0.25% of the aggregate initial principal amount of the Tranche B Delayed Draw Term Loans on the Tranche B Delayed Draw Closing Date
Tranche B Term Loan Maturity Date	all unpaid aggregate principal amounts of any outstanding Tranche B Term Loans

(d) The unpaid aggregate principal amount of the Tranche C Term Loans shall be repaid in full on the Tranche C Term Loan Maturity Date (or, if such day is not a Business Day, on the immediately preceding Business Day).

(e) The unpaid aggregate principal amount of the Tranche D Term Loans shall be repaid in full on the Tranche D Term Loan Maturity Date (or, if such day is not a Business Day, on the immediately preceding Business Day).

(f) The unpaid aggregate principal amount of the Tranche E Term Loans shall be repaid in full on the Tranche E Term Loan Maturity Date (or, if such day is not a Business Day, on the immediately preceding Business Day).

(g) The unpaid aggregate principal amount of the Tranche F Term Loans shall be repaid in full on the Tranche F Term Loan Maturity Date (or, if such day is not a Business Day, on the immediately preceding Business Day).

(h) The unpaid aggregate principal amount of the Tranche G Term Loans shall be repaid in full on the Tranche G Term Loan Maturity Date (or, if such day is not a Business Day, on the immediately preceding Business Day).

(i) The unpaid aggregate principal amount of the Tranche H Term Loans shall be repaid in full on the Tranche H Term Loan Maturity Date (or, if such day is not a Business Day, on the immediately preceding Business Day).

2.3 Procedure for Term Loan Borrowing. The Borrower shall have given the Administrative Agent notice (which notice must have been received by the Administrative Agent prior to 9:00 A.M., New York City time, and shall be irrevocable after funding) on (i) in the case of the Initial Term Loans, the Closing Date, (ii) in the case of the Tranche B Refinancing Term Loans, the First Incremental Amendment Effective Date, (iii) in the case of the Tranche B Initial Term Loans, the First Incremental Amendment Closing Date, (iv) in the case of the Tranche B Delayed Draw Term Loans, the Tranche B Delayed Draw Closing Date, (v) in the case of the Tranche C Term Loans, the Third Amendment Closing Date, (vi) in the case of the Tranche D Term Loans, the Fourth Amendment Closing Date, (vii) in the case of the Tranche E Term

Loans, the Fifth Amendment Closing Date, (viii) in the case of Tranche F Term Loans, the Seventh Amendment Closing Date ~~and~~, (ix) in the case of Tranche G Term Loans, the Eighth Amendment Closing Date and (x) in the case of Tranche H Term Loans, the Tenth Amendment Closing Date in each case, specifying the amount of the Initial Term Loans, Tranche B Refinancing Term Loans, Tranche B Initial Term Loans, Tranche B Delayed Draw Term Loans, Tranche C Term Loans, Tranche D Term Loans, Tranche E Term Loans, Tranche F Term Loans ~~and~~, Tranche G Term Loans and Tranche H Term Loans, as applicable, to be borrowed. Upon receipt of such notice, the Administrative Agent shall promptly notify each applicable Lender thereof. Each Lender (i) having an Initial Term Loan Commitment will make the amount of its pro rata share of the Initial Term Loan Commitments available to the Administrative Agent, (ii) having a Tranche B Refinancing Term Loan Commitment will make the amount of its pro rata share of the Tranche B Refinancing Term Loan Commitments available to the Administrative Agent, (iii) having a Tranche B Initial Term Loan Commitment will make the amount of its pro rata share of the Tranche B Initial Term Loan Commitments available to the Administrative Agent, (iv) having a Tranche B Delayed Draw Commitment will make the amount of its pro rata share of the Tranche B Delayed Draw Commitments available to the Administrative Agent, (v) having a Tranche C Term Loan Commitment will make the amount of its pro rata share of the Tranche C Term Loan Commitments available to the Administrative Agent, (vi) having a Tranche D Term Loan Commitment will make the amount of its pro rata share of the Tranche D Term Loan Commitments available to the Administrative Agent, (vii) having a Tranche E Term Loan Commitment will make the amount of its pro rata share of the Tranche E Term Loan Commitments available to the Administrative Agent, (viii) having a Tranche F Term Loan Commitment will make the amount of its pro rata share of the Tranche F Term Loan Commitments available to the Administrative Agent ~~or~~, (ix) having a Tranche G Term Loan Commitment will make the amount of its pro rata share of the Tranche G Term Loan Commitments available to the Administrative Agent or (x) having a Tranche H Term Loan Commitment will make the amount of its pro rata share of the Tranche H Term Loan Commitments available to the Administrative Agent, in each case for the account of the Borrower at the office of the Administrative Agent specified in Section 11.2 prior to 10:00 A.M., New York City time, on the Closing Date (in the case of the Initial Term Loans), the First Incremental Amendment Effective Date (in the case of the Tranche B Refinancing Term Loans), the First Incremental Amendment Closing Date (in the case of the Tranche B Initial Term Loans), the Tranche B Delayed Draw Closing Date (in the case of the Tranche B Delayed Draw Term Loans), the Third Amendment Closing Date (in the case of the Tranche C Term Loans), the Fourth Amendment Closing Date (in the case of the Tranche D Term Loans), the Fifth Amendment Closing Date (in the case of the Tranche E Term Loans), the Seventh Amendment Effective Closing Date (in the case of Tranche F Term Loans) ~~or~~, the Eighth Amendment Effective Closing Date (in the case of Tranche G Term Loans) or the Tenth Amendment Effective Closing Date (in the case of Tranche H Term Loans) in funds immediately available to the Administrative Agent. The Administrative Agent shall on such date credit the account of the Borrower on the books of the Administrative Agent with the aggregate of the amounts made available to the Administrative Agent by the Lenders and in like funds as received by the Administrative Agent.

2.4 [Reserved.]

2.5 Repayment of Loans. (a) The Borrower hereby unconditionally promises to pay to the Administrative Agent (in the currency in which such Term Loan is denominated) for the account of each Lender the then unpaid principal amount of each Term Loan of such Lender made to the Borrower, on the Initial Term Loan Maturity Date (in the case of Initial Term Loans), the Tranche B Term Loan Maturity Date (in the case of Tranche B Term Loans), the Tranche C Term Loan Maturity Date (in the case of Tranche C Term Loans), the Tranche D Term Loan Maturity Date (in the case of Tranche D Term Loans), the Tranche E Term Loan Maturity Date (in the case of Tranche E Term Loans), the Tranche F Term Loan Maturity Date (in the case of Tranche F Term Loans) ~~or~~, the Tranche G Term Loan Maturity Date (in the case of Tranche G Term Loans) or the Tranche H Term Loan Maturity Date (in the case of Tranche H Term Loans) (or such earlier date on which the Term Loans become due and payable pursuant to Section 9). The Borrower hereby further agrees to pay interest on the unpaid principal amount of such Term Loans from time to time outstanding from the date hereof until payment in full thereof at the rates per annum, and on the dates, set forth in Section 4.1.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing indebtedness of the Borrower to such Lender resulting from each Loan of such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time under this Agreement.

(c) The Administrative Agent shall maintain the Register pursuant to Section 11.6(b), and a subaccount therein for each Lender, in which shall be recorded (i) the amount of each Loan made hereunder, the Type thereof and each Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each applicable Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each applicable Lender's share thereof.

(d) The entries made in the Register and the accounts of each Lender maintained pursuant to Section 2.5(c) shall, to the extent permitted by applicable law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain the Register or any such account, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loans made to the Borrower by such Lender in accordance with the terms of this Agreement.

2.6 Incremental Facilities. (a) So long as no Event of Default under Section 9.1(a) or (f) exists or would arise therefrom (provided that, to the extent the proceeds of Term Loans made pursuant to any Incremental Commitment will be used to consummate a Limited Condition Transaction, the requirement that there be no Event of Default under Section 9.1(a) or (f) shall only be required to be satisfied on the date on which definitive agreements with respect to such Limited Condition Transaction are entered into), the Borrower shall have the right, at any time and from time to time after the First Incremental Amendment Effective Date, (i) to request new term loan commitments under one or more new term loan credit facilities to be included in this Agreement (the "Incremental Term Loan Commitments") and (ii) to increase the Existing Term Loans by requesting new term loan commitments to be added to an Existing Term Tranche of Term Loans (the "Supplemental Term Loan Commitments") and, together with the Incremental Term Loan Commitments, the "Incremental Commitments"), provided that, (i) the



aggregate amount of Incremental Commitments permitted pursuant to this Section 2.6 shall not exceed, at the time the respective Incremental Commitment becomes effective (A) the greater of \$450 million and 60.0% of EBITDA (for the Measurement Period applicable at the time of the incurrence of such Indebtedness) plus (B) the maximum aggregate principal amount (as of the date of incurrence of any such Indebtedness and after giving pro forma effect to the incurrence thereof and the application of the net proceeds therefrom (or as of the date of the initial borrowing of such Indebtedness after giving pro forma effect to the incurrence of the entire committed amount of such Indebtedness)) that can be incurred without exceeding a First Lien Indebtedness to EBITDA Ratio for the Borrower of 4.50 to 1.00 (it being understood that for purposes of determining compliance under this clause (i)(B), except as provided in clause (z) of the last proviso of this Section 2.6(a)(i), any Indebtedness incurred under this clause (i)(B) (whether or not secured), other than Revolving Credit Agreement Indebtedness, will be included in the amount of First Lien Indebtedness for purposes of calculating the First Lien Indebtedness to EBITDA Ratio); (ii) if any portion of an Incremental Commitment is to be incurred in reliance on clause (i)(B) above, the Borrower shall have delivered a certificate to the Administrative Agent, certifying the amount of the available basket in such clause to be used for the incurrence of such Incremental Commitment or compliance with the financial test set forth in such clause (together with calculations demonstrating compliance with such test), as applicable, and (iii) if any portion of an Incremental Commitment is to be incurred in reliance on clause (i)(A) above, the Borrower shall have delivered a certificate to the Administrative Agent, certifying the amount of the available basket in such clause to be used for the incurrence of such Incremental Commitment; provided further that (x) the Borrower may elect to use capacity under clause (i)(B) above prior to using capacity under clause (i)(A) above, (y) that any portion of any Incremental Commitments incurred in reliance on clause (i)(A) above shall be reclassified (including for purposes of clause (26) of the definition of "Permitted Liens"), as the Borrower may elect from time to time, as incurred under clause (i)(B) if the Borrower meets the applicable First Lien Indebtedness to EBITDA Ratio at such time, on a pro forma basis and (z) any amounts incurred under clause (i)(A) above, concurrently incurred with, or in a single transaction or series of related transactions with, amounts incurred under clause (i)(B) above or under clause (26) of the definition of "Permitted Liens" will not count as indebtedness for the purposes of calculating the First Lien Indebtedness to EBITDA Ratio to determine availability at such time under clause (i)(B) or capacity under clause (26) of the definition of "Permitted Liens". Any loans made in respect of any such Incremental Commitment (other than Supplemental Term Loan Commitments) shall be made by creating a new Tranche. Each Incremental Commitment made available pursuant to this Section 2.6 shall be in a minimum aggregate amount of at least \$15.0 million and in integral multiples of \$5.0 million in excess thereof or such lower minimum amounts or multiples as agreed to by the Administrative Agent, in its reasonably discretion from time to time.

(b) Each request from the Borrower pursuant to this Section 2.6 shall set forth the requested amount and proposed terms of the relevant Incremental Commitments. The Incremental Commitments (or any portion thereof) may be made by any existing Lender or by any other bank or financial institution (any such bank or other financial institution, an "Additional Lender"); provided that if such Additional Lender is not already a Lender hereunder or an Affiliate of a Lender hereunder or an Approved Fund, the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required (it being understood that any such Additional Lender that is an Affiliated Lender shall be subject to the



provisions of Section 11.6(h), *mutatis mutandis*, to the same extent as if such Incremental Commitments and related Obligations had been obtained by such Lender by way of assignment).

(c) Supplemental Term Loan Commitments shall become commitments under this Agreement pursuant to a supplement specifying the Term Loan Tranche to be increased, executed by the Borrower and each increasing Lender substantially in the form attached hereto as Exhibit G (the "Increase Supplement") or by each Additional Lender substantially in the form attached hereto as Exhibit H (the "Lender Joinder Agreement"), as the case may be, which shall be delivered to the Administrative Agent for recording in the Register. Upon effectiveness of the Lender Joinder Agreement each Additional Lender shall be a Lender for all intents and purposes of this Agreement and the term loan made pursuant to such Supplemental Term Loan Commitment shall be a Term Loan.

(d) Incremental Commitments (other than Supplemental Term Loan Commitments) shall become commitments under this Agreement pursuant to an amendment (an "Incremental Commitment Amendment") to this Agreement and, as appropriate, the other Loan Documents, executed by the Borrower and each Additional Lender. An Incremental Commitment Amendment may, without the consent of any other Lender, effect such amendments to any Loan Documents as may be necessary or appropriate, in the opinion of the Borrower and the Administrative Agent, to effect the provisions of this Section 2.6; provided, however, that (i) (A) the Incremental Commitments will not be guaranteed by any Subsidiary of the Borrower other than the Subsidiary Guarantors, and will be secured on a pari passu or (at the Borrower's option) junior basis by the same Collateral securing, so long as any Tranche G Term Loans are outstanding, the Tranche G Term Loans and, so long as any Tranche H Term Loans are outstanding, the Tranche H Term Loans (so long as any such Incremental Commitments (and related Obligations) secured on a junior basis are subject to the Junior Lien Intercreditor Agreement or an Other Intercreditor Agreement, as applicable), (B) the Incremental Commitments and any incremental loans drawn thereunder (the "Incremental Loans") shall rank pari passu in right of payment with or (at the Borrower's option) junior to, so long as any Tranche G Term Loans are outstanding, the Tranche G Term Loans and, so long as any Tranche H Term Loans are outstanding, Tranche H Term Loans and (C) no Incremental Commitment Amendment may provide for (I) any Incremental Commitment or any Incremental Loans to be secured by any Collateral or other assets of any Loan Party that do not also secure the Term Loans (other than the proceeds of Incremental Loans which are subject to an escrow or similar arrangement and any related deposit of Cash or Cash Equivalents to cover interest and premium in respect of such Incremental Loans) and (II) (x) so long as any Tranche G Term Loans are outstanding, any mandatory prepayment provisions that do not also apply to the Term Loans (other than Incremental Term Loans secured on a junior basis by the Collateral or ranking junior in right of payment, which shall be subject to junior prepayment provisions) on a pro rata basis (or otherwise provide for more favorable prepayment treatment for the Tranche G Term Loans than such Incremental Term Loans as contemplated by the proviso appearing in Section 4.4(c)) (other than, in the case of any customary bridge financing, prepayments of such bridge financing from the issuance of equity or other Indebtedness permitted hereunder), provided that (subject to clause (iii) below) any Incremental Term Loans may provide for more favorable amortization payments than the Tranche G Term Loans and (y) so long as any Tranche H Term Loans are outstanding, any mandatory prepayment provisions that do not also apply to the Term Loans (other than Incremental Term Loans secured on a junior basis by the Collateral or ranking junior

in right of payment, which shall be subject to junior prepayment provisions) on a pro rata basis (or otherwise provide for more favorable prepayment treatment for the Tranche H Term Loans than such Incremental Term Loans as contemplated by the proviso appearing in Section 4.4(c)) (other than, in the case of any customary bridge financing, prepayments of such bridge financing from the issuance of equity or other Indebtedness permitted hereunder), provided that (subject to clause (iii) below) any Incremental Term Loans may provide for more favorable amortization payments than the Tranche H Term Loans; (ii) no Lender will be required to provide any such Incremental Commitment unless it so agrees; (iii) the maturity date and the weighted average life to maturity of such Incremental Term Loan Commitments shall be no earlier than or shorter than, as the case may be, the later of (x) so long as any Tranche G Term Loans are outstanding, the Tranche G Term Loan Maturity Date or the weighted average life to maturity of the Tranche G Term Loans, as applicable (other than an earlier maturity date and/or shorter weighted average life to maturity for customary bridge financings, which, subject to customary conditions, would either be automatically converted into or required to be exchanged for permanent financing which does not provide for an earlier maturity date or a shorter weighted average life to maturity than the Tranche G Term Loan Maturity Date or the weighted average life to maturity of the Tranche G Term Loans, as applicable) and (y) so long as any Tranche H Term Loans are outstanding, the Tranche H Term Loan Maturity Date or the weighted average life to maturity of the Tranche H Term Loans, as applicable (other than an earlier maturity date and/or shorter weighted average life to maturity for customary bridge financings, which, subject to customary conditions, would either be automatically converted into or required to be exchanged for permanent financing which does not provide for an earlier maturity date or a shorter weighted average life to maturity than the Tranche H Term Loan Maturity Date or the weighted average life to maturity of the Tranche H Term Loans, as applicable); (iv) the interest rate margins and amortization schedule applicable to the loans made pursuant to the Incremental Commitments shall be determined by the Borrower and the applicable Additional Lenders; provided that in the event that the applicable interest rate margins for any syndicated first lien floating rate Incremental Term Loans denominated in Dollars, the principal amount of which exceeds the greater of \$400.0 million and 50.0% of EBITDA for the then applicable Measurement Period, that are secured on a *pari passu* basis by the Collateral securing the Secured Obligations and with a Stated Maturity that is earlier than 12 months following the Tranche GH Term Loan Maturity Date Incurred by the Borrower pursuant to clause (i)(B) of the first proviso of Section 2.6(a), made on or prior to the 12-month anniversary of the ~~Eighth~~Tenth Amendment Closing Date, are higher than the applicable interest rate margin for Tranche GH Term Loans by more than 75 basis points, then the Applicable Margin for Tranche GH Term Loans shall be increased (the “Increased Amount”) to the extent necessary so that the applicable interest rate margin for the Tranche GH Term Loans is equal to the applicable interest rate margins for such Incremental Term Loan Commitment minus 75 basis points; provided, further that, in determining the applicable interest rate margins for the Tranche GH Term Loans and the Incremental Term Loans, (A) original issue discount (“OID”) or upfront fees payable generally to all participating Additional Lenders in lieu of OID (which shall be deemed to constitute like amounts of OID) payable by the Borrower to the Lenders under the Tranche GH Term Loans or any Incremental Term Loan in the initial primary syndication thereof shall be included (with OID and upfront fees being equated to interest based on an assumed four-year life to maturity); (B) any arrangement, structuring or other fees payable in connection with the Incremental Term Loans that are not shared with all Additional Lenders providing such Incremental Term Loans shall be

excluded; (C) any amendments to the Applicable Margin on the Tranche ~~G~~H Term Loans that became effective subsequent to the ~~Eighth~~Tenth Amendment Closing Date but prior to the time of such Incremental Term Loans shall also be included in such calculations; (D) if the Incremental Term Loans include an interest rate floor greater than the interest rate floor applicable to the Tranche ~~G~~H Term Loans, such increased amount shall be equated to the applicable interest rate margin for purposes of determining whether an increase to the Applicable Margin for the Tranche ~~G~~H Term Loans shall be required, to the extent an increase in the interest rate floor for the Tranche ~~G~~H Term Loans would cause an increase in the interest rate then in effect thereunder, and in such case the interest rate floor (but not the Applicable Margin) applicable to the Tranche ~~G~~H Term Loans shall be increased by such amount; (E) if the Incremental Term Loans include an interest rate floor lower than the interest rate floor applicable to the Tranche ~~G~~H Term Loans or do not include any interest rate floor, to the extent a reduction in the interest rate floor for such Tranche ~~G~~H Term Loans would cause a reduction in the interest rate then in effect thereunder, an amount equal to the difference between the interest rate floor applicable to the Tranche ~~G~~H Term Loans and the interest rate floor applicable to such Incremental Term Loans (which shall be deemed to equal 0% for any Incremental Term Loans without any interest rate floor), but which in any event shall not exceed the maximum amount by which a reduction in the interest rate floor applicable to the Tranche ~~G~~H Term Loans would cause a reduction in the interest rate then in effect thereunder, shall reduce the applicable interest rate margin of the applicable Incremental Terms Loans for purposes of determining whether an increase to the Applicable Margin for such Tranche ~~G~~H Term Loans shall be required, and (F) if the applicable Tranche ~~G~~H Term Loans include a pricing grid the interest rate margins in such pricing grid which are not in effect at the time the applicable Incremental Commitments become effective shall also each be increased by an amount equal to the Increased Amount; (v) such Incremental Commitment Amendment may provide (1) for the inclusion, as appropriate, of Additional Lenders in any required vote or action of the Required Lenders or of the Lenders of each Tranche hereunder, (2) for class voting and other class protections for any additional credit facilities, and (3) for the amendment of the definition of “Disqualified Stock,” in each case only to extend the maturity date and the weighted average life to maturity requirements, from the Tranche G Term Loan Maturity Date and/or Tranche H Term Loan Maturity Date, as applicable, and the weighted average life to maturity of the Tranche G Term Loans ~~to the~~and/or the Tranche H Term Loans, as applicable, to the extended maturity date and the weighted average life to maturity of such Incremental Term Loans, as applicable; and (vi) the other terms and documentation in respect thereof, to the extent not consistent with this Agreement as in effect prior to giving effect to the Incremental Commitment Amendment, shall otherwise be reasonably satisfactory to the Borrower, provided that to the extent such terms and documentation are not consistent with, in the case of Incremental Term Loans, the terms and documentation governing, so long as any Tranche G Term Loans are outstanding, the Tranche G Term Loans and, so long as any Tranche H Term Loans are outstanding, the Tranche H Term Loans (except to the extent permitted by clause (iii), (iv) or (v) above), they shall be reasonably satisfactory to the Borrower and the Administrative Agent.

(e) For the avoidance of doubt, the Tranche B Initial Term Loans or the Tranche B Delayed Draw Term Loans, in each case, incurred after the First Incremental Effective Date shall not constitute “Incremental Term Loans” incurred pursuant to this Section 2.6 but shall be incurred pursuant to Section 2.1(b) or (c) (as applicable) and accordingly the

requirements of this Section 2.6, including clause (iv) of the first proviso of Section 2.6(d), shall not apply thereto.

2.7 Permitted Debt Exchanges. (a) Notwithstanding anything to the contrary contained in this Agreement, pursuant to one or more offers (each, a “Permitted Debt Exchange Offer”) made from time to time by the Borrower to all Lenders (other than any Lender that, if requested by the Borrower, is unable to certify that it is either a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act) or an institutional “accredited investor” (as defined in Rule 501 under the Securities Act)) with outstanding Term Loans of a particular Tranche, as selected by the Borrower, the Borrower may from time to time following the First Incremental Amendment Effective Date consummate one or more exchanges of Term Loans of such Tranche for Indebtedness in the form of notes (such notes, “Permitted Debt Exchange Notes,” and each such exchange a “Permitted Debt Exchange”), so long as the following conditions are satisfied: (i) the aggregate principal amount (calculated on the face amount thereof) of Term Loans exchanged shall equal the aggregate principal amount (calculated on the face amount thereof) of Permitted Debt Exchange Notes issued in exchange for such Term Loans, (ii) the aggregate principal amount (calculated on the face amount thereof) of all Term Loans exchanged by the Borrower pursuant to any Permitted Debt Exchange shall automatically be cancelled and retired by the Borrower on the date of the settlement thereof (and, if requested by the Administrative Agent, any applicable exchanging Lender shall execute and deliver to the Administrative Agent an Assignment and Acceptance, or such other form as may be reasonably requested by the Administrative Agent, in respect thereof pursuant to which the respective Lender assigns its interest in the Term Loans being exchanged pursuant to the Permitted Debt Exchange to the Borrower for immediate cancellation), (iii) if the aggregate principal amount of all Term Loans (calculated on the face amount thereof) tendered by Lenders in respect of the relevant Permitted Debt Exchange Offer (with no Lender being permitted to tender a principal amount of Term Loans which exceeds the principal amount of the applicable Tranche actually held by it) shall exceed the maximum aggregate principal amount of Term Loans offered to be exchanged by the Borrower pursuant to such Permitted Debt Exchange Offer, then the Borrower shall exchange Term Loans subject to such Permitted Debt Exchange Offer tendered by such Lenders ratably up to such maximum amount based on the respective principal amounts so tendered, (iv) each such Permitted Debt Exchange Offer shall be made on a pro rata basis to the Lenders (other than any Lender that, if requested by the Borrower, is unable to certify that it is either a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act) or an institutional “accredited investor” (as defined in Rule 501 under the Securities Act)) based on their respective aggregate principal amounts of outstanding Term Loans of the applicable Tranche, (v) all documentation in respect of such Permitted Debt Exchange shall be consistent with the foregoing and all written communications generally directed to the Lenders in connection therewith shall be in form and substance consistent with the foregoing and made in consultation with the Administrative Agent, (vi) any applicable Minimum Exchange Tender Condition shall be satisfied and (vii) such Permitted Debt Exchange Notes do not provide for a maturity date or weighted average life to maturity earlier than the Maturity Date of the Term Loans subject to such Permitted Debt Exchange or shorter than the weighted average life to maturity of the Term Loans subject to such Permitted Debt Exchange.

(b) With respect to all Permitted Debt Exchanges effected by the Borrower pursuant to this Section 2.7, (i) such Permitted Debt Exchanges (and the cancellation of the

exchanged Term Loans in connection therewith) shall not constitute voluntary or mandatory payments or prepayments for purposes of Section 4.4 and (ii) such Permitted Debt Exchange Offer shall be made for not less than \$15.0 million in aggregate principal amount of Term Loans, provided that subject to the foregoing clause (ii), the Borrower may at its election specify as a condition (a "Minimum Exchange Tender Condition") to consummating any such Permitted Debt Exchange that a minimum amount (to be determined and specified in the relevant Permitted Debt Exchange Offer in the Borrower's discretion) of Term Loans be tendered.

(c) In connection with each Permitted Debt Exchange, the Borrower shall provide the Administrative Agent at least ten Business Days' (or such shorter period as may be agreed by the Administrative Agent) prior written notice thereof, and the Borrower and the Administrative Agent, acting reasonably, shall mutually agree to such procedures as may be necessary or advisable to accomplish the purposes of this Section 2.7 and without conflict with Section 2.7(d); provided that the terms of any Permitted Debt Exchange Offer shall provide that the date by which the relevant Lenders are required to indicate their election to participate in such Permitted Debt Exchange shall be not less than five Business Days following the date on which the Permitted Debt Exchange Offer is made.

(d) The Borrower shall be responsible for compliance with, and hereby agrees to comply with, all applicable securities and other laws in connection with each Permitted Debt Exchange, it being understood and agreed that (x) neither the Administrative Agent nor any Lender assumes any responsibility in connection with the Borrower's compliance with such laws in connection with any Permitted Debt Exchange (other than the Borrower's reliance on any certificate delivered by a Lender pursuant to Section 2.7(a) above for which such Lender shall bear sole responsibility) and (y) each Lender shall be solely responsible for its compliance with any applicable "insider trading" laws and regulations to which such Lender may be subject under the Securities Exchange Act of 1934, as amended.

2.8 Extension of Term Loans. (a) The Borrower may at any time and from time to time request that all or a portion of the Term Loans of one or more Tranches (including any Extended Term Loans) existing at the time of such request (each, an "Existing Term Tranche" and the Term Loans of such Tranche, the "Existing Term Loans") be converted to extend the scheduled maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of any Existing Term Tranche (any such Existing Term Tranche which has been so extended, an "Extended Term Tranche" and the Term Loans of such Tranche, the "Extended Term Loans") and to provide for other terms consistent with this Section 2.8; provided that (i) any such request shall be made by the Borrower to all Lenders with Term Loans with a like maturity date (whether under one or more Tranches) on a pro rata basis (based on the aggregate outstanding principal amount of the applicable Term Loans), and (ii) any applicable Minimum Extension Condition shall be satisfied unless waived by the Borrower. In order to establish any Extended Term Tranche, the Borrower shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders of the applicable Existing Term Tranche) (an "Extension Request") setting forth the proposed terms of the Extended Term Tranche to be established, which terms shall be identical to those applicable to the Existing Term Tranche from which they are to be extended (the "Specified Existing Term Tranche"), except (w) all or any of the final maturity dates of such Extended Term Tranches may be delayed to later dates than the final maturity dates of the Specified Existing Term Tranche, (x) (A) the

interest margins with respect to the Extended Term Tranche may be higher or lower than the interest margins for the Specified Existing Term Tranche and/or (B) additional fees may be payable to the Lenders providing such Extended Term Tranche in addition to or in lieu of any increased margins contemplated by the preceding clause (A), in each case to the extent provided in the applicable Extension Amendment, (y) any optional or mandatory prepayment applicable to any Extended Term Tranche may be directed first to the prepayment of the Existing Term Loans and (z) amortization with respect to the Extended Term Tranche may be greater or lesser than amortization for the Specified Existing Term Tranche, so long as the Extended Term Tranche does not have a weighted average life to maturity shorter than the remaining weighted average life to maturity of the Specified Existing Term Tranche; provided that, notwithstanding anything to the contrary in this Section 2.8 or otherwise, (1) assignments and participations of Extended Term Tranches shall be governed by the same or, at the Borrower's discretion, more restrictive assignment and participation provisions than the assignment and participation provisions applicable to Term Loans set forth in Section 11.6, and (2) subject to clause (z) above, no mandatory repayment of Extended Term Tranches shall be permitted unless such repayment is accompanied by an at least pro rata repayment of all earlier maturing Tranches (including Extended Term Tranches) (or all earlier maturing Tranches (including Extended Term Tranches) shall otherwise be or have been terminated and repaid in full). No Lender shall have any obligation to agree to have any of its Existing Term Loans converted into an Extended Term Tranche pursuant to any Extension Request. Any Extended Term Tranche shall constitute a separate Tranche of Term Loans from the Specified Existing Term Tranches and from any other Existing Term Tranches (together with any other Extended Term Tranches so established on such date).

(b) The Borrower shall provide the applicable Extension Request at least ten Business Days prior to the date on which Lenders under the applicable Existing Term Tranche or Existing Term Tranches are requested to respond. Any Lender (an "Extending Lender") wishing to have all or a portion of its Specified Existing Term Tranche converted into an Extended Term Tranche shall notify the Administrative Agent (each, an "Extension Election") on or prior to the date specified in such Extension Request of the amount of its Specified Existing Term Tranche that it has elected to convert into an Extended Term Tranche. In the event that the aggregate amount of the Specified Existing Term Tranche subject to Extension Elections exceeds the amount of Extended Term Tranches requested pursuant to the Extension Request, the Specified Existing Term Tranches subject to Extension Elections shall be converted to Extended Term Tranches on a pro rata basis based on the amount of Specified Existing Term Tranches included in each such Extension Election. In connection with any extension of Term Loans pursuant to this Section 2.8 (each, an "Extension"), the Borrower shall agree to such procedures regarding timing, rounding and other administrative adjustments to ensure reasonable administrative management of the credit facilities hereunder after such Extension, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Section 2.8. The Borrower may amend, revoke or replace an Extension Request pursuant to procedures reasonably acceptable to the Administrative Agent at any time prior to the date (the "Extension Request Deadline") on which Lenders under the applicable Existing Term Tranche are requested to respond to the Extension Request. Any Lender may revoke an Extension Election at any time prior to 5:00 P.M. on the date that is two Business Days prior to the Extension Request Deadline, at which point the Extension Election becomes irrevocable (unless otherwise agreed by the Borrower). The revocation of an Extension Election prior to the



Extension Request Deadline shall not prejudice any Lender's right to submit a new Extension Election prior to the Extension Request Deadline.

(c) Extended Term Tranches shall be established pursuant to an amendment (an "Extension Amendment") to this Agreement (which may include amendments to (i) provisions related to maturity, interest margins, fees, amortization or prepayments referenced in clauses (w) through (z) of Section 2.8(a) and (ii) the definition of "Disqualified Stock" to amend the maturity date and the weighted average life to maturity requirements, from the Tranche G Term Loan Maturity Date and/or the Tranche H Term Loan Maturity Date, as applicable, and weighted average life to maturity of the Tranche G Term Loans and/or the Tranche H Term Loans, as applicable, to the extended maturity date and the weighted average life to maturity of such Extended Term Tranche, as applicable, and which, in each case, except to the extent expressly contemplated by the third to last sentence of this Section 2.8(c) and notwithstanding anything to the contrary set forth in Section 11.1, shall not require the consent of any Lender other than the Extending Lenders with respect to the Extended Term Tranches established thereby) executed by the Loan Parties, the Administrative Agent, and the Extending Lenders. No Extension Amendment shall provide for any Extended Term Tranche in an aggregate principal amount that is less than \$15.0 million. Notwithstanding anything to the contrary in this Agreement and without limiting the generality or applicability of Section 11.1 to any Section 2.8 Additional Amendments, any Extension Amendment may provide for additional terms and/or additional amendments other than those referred to or contemplated above (any such additional amendment, a "Section 2.8 Additional Amendment") to this Agreement and the other Loan Documents; provided that such Section 2.8 Additional Amendments do not become effective prior to the time that such Section 2.8 Additional Amendments have been consented to (including, without limitation, pursuant to consents applicable to holders of any Extended Term Tranches provided for in any Extension Amendment) by such of the Lenders, Loan Parties and other parties (if any) as may be required in order for such Section 2.8 Additional Amendments to become effective in accordance with Section 11.1; provided, further, that no Extension Amendment may provide for any Extended Term Tranche to be secured by any Collateral or other assets of any Loan Party that does not also secure the Existing Term Tranches. It is understood and agreed that each Lender has consented for all purposes requiring its consent, and shall at the effective time thereof be deemed to consent to each amendment to this Agreement and the other Loan Documents authorized by this Section 2.8 and the arrangements described above in connection therewith except that the foregoing shall not constitute a consent on behalf of any Lender to the terms of any Section 2.8 Additional Amendment. In connection with any Extension Amendment, at the request of the Administrative Agent or the Extending Lenders, the Borrower shall deliver an opinion of counsel reasonably acceptable to the Administrative Agent as to the enforceability of this Agreement as amended by such Extension Amendment, and such of the other Loan Documents (if any) as may be amended thereby.

(d) Notwithstanding anything to the contrary contained in this Agreement, on any date on which any Existing Term Tranche is converted to extend the related scheduled maturity date(s) in accordance with clause (a) above (an "Extension Date"), in the case of the Specified Existing Term Tranche of each Extending Lender, the aggregate principal amount of such Specified Existing Term Tranche shall be deemed reduced by an amount equal to the aggregate principal amount of Extended Term Tranche so converted by such Lender on such date, and such Extended Term Tranches shall be established as a separate Tranche from the

Specified Existing Term Tranche and from any other Existing Term Tranches (together with any other Extended Term Tranches so established on such date).

(e) If, in connection with any proposed Extension Amendment, any Lender declines to consent to the applicable extension on the terms and by the deadline set forth in the applicable Extension Request (each such other Lender, a “Non-Extending Lender”) then the Borrower may, on notice to the Administrative Agent and the Non-Extending Lender, (i) replace such Non-Extending Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 11.6 (with the assignment fee and any other costs and expenses to be paid by the Borrower in such instance) all of its rights and obligations under this Agreement to one or more assignees; provided that neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to find a replacement Lender; provided, further, that the applicable assignee shall have agreed to provide Extended Term Loans on the terms set forth in such Extension Amendment; and provided, further, that all obligations of the Borrower owing to the Non-Extending Lender relating to the Existing Term Loans so assigned shall be paid in full by the assignee Lender to such Non-Extending Lender concurrently with such Assignment and Acceptance or (ii) if no Event of Default exists under Section 9.1(a) or (f), upon notice to the Administrative Agent, prepay the Existing Term Loans, in whole or in part, subject to Section 4.12, without premium or penalty. In connection with any such replacement under this Section 2.8, if the Non-Extending Lender does not execute and deliver to the Administrative Agent a duly completed Assignment and Acceptance and/or any other documentation necessary to reflect such replacement by the later of (A) the date on which the replacement Lender executes and delivers such Assignment and Acceptance and/or such other documentation and (B) the date as of which all obligations of the Borrower owing to the Non-Extending Lender relating to the Existing Term Loans so assigned shall be paid in full by the assignee Lender to such Non-Extending Lender, then such Non-Extending Lender shall be deemed to have executed and delivered such Assignment and Acceptance and/or such other documentation as of such date, the Administrative Agent shall record such assignment in the Register and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Acceptance and/or such other documentation on behalf of such Non-Extending Lender.

(f) Following any Extension Date, with the written consent of the Borrower, any Non-Extending Lender may elect to have all or a portion of its Existing Term Loans deemed to be an Extended Term Loan under the applicable Extended Term Tranche on any date (each date a “Designation Date”) prior to the maturity date of such Extended Term Tranche; provided that (i) such Lender shall have provided written notice to the Borrower and the Administrative Agent at least ten Business Days prior to such Designation Date (or such shorter period as the Administrative Agent may agree in its reasonable discretion) and (ii) except as set forth in Section 2.8(c), no more than three Designation Dates may occur in any one year period without the written consent of the Administrative Agent. Following a Designation Date, the Existing Term Loans held by such Lender so elected to be extended will be deemed to be Extended Term Loans of the applicable Extended Term Tranche, and any Existing Term Loans held by such Lender not elected to be extended, if any, shall continue to be “Existing Term Loans” of the applicable Tranche.

(g) With respect to all Extensions consummated by the Borrower pursuant to this Section 2.8, (i) such Extensions shall not constitute optional or mandatory payments or



prepayments for purposes of Section 4.4 and (ii) no Extension Request is required to be in any minimum amount or any minimum increment, provided that the Borrower may at its election specify as a condition (a "Minimum Extension Condition") to consummating any such Extension that a minimum amount (to be determined and specified in the relevant Extension Request in the Borrower's sole discretion and may be waived by the Borrower) of Existing Term Loans of any or all applicable Tranches be extended. The Administrative Agent and the Lenders hereby consent to the transactions contemplated by this Section 2.8 (including, for the avoidance of doubt, payment of any interest, fees or premium in respect of any Extended Term Loans on such terms as may be set forth in the relevant Extension Request) and hereby waive the requirements of any provision of this Agreement (including Sections 4.4 and 4.8) or any other Loan Document that may otherwise prohibit any such Extension or any other transaction contemplated by this Section 2.8.

### SECTION 3

[Reserved]

### SECTION 4

#### General Provisions Applicable to Loans

4.1 Interest Rates and Payment Dates. (a) Each Eurodollar Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Adjusted LIBOR Rate determined for such day plus the Applicable Margin in effect for such day.

(b) Each ABR Loan shall bear interest for each day that it is outstanding at a rate per annum equal to the Alternate Base Rate in effect for such day plus the Applicable Margin in effect for such day.

(c) Each SOFR Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to Term SOFR determined for such day plus the Applicable Margin in effect for such day.

(d) ~~(b)~~ If all or a portion of (i) the principal amount of any Term Loan, (ii) any interest payable thereon or (iii) any other amount payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum which is (x) in the case of overdue principal, the rate that would otherwise be applicable thereto pursuant to the relevant foregoing provisions of this Section 4.1, plus 2.00%, (y) in the case of overdue interest, the rate that would be otherwise applicable to principal of the related Term Loan pursuant to the relevant foregoing provisions of this Section 4.1 (other than clause (x) above) plus 2.00% and (z) in the case of other amounts, the rate described in clause (b) of this Section 4.1 for ABR Loans accruing interest at the Alternate Base Rate plus 2.00%, in each case from the date of such nonpayment until such amount is paid in full (as well after as before judgment).

(e) ~~(e)~~ Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to clause ~~(ed)~~ of this Section 4.1 shall be payable from time to time on demand.

(f) ~~(f)~~ It is the intention of the parties hereto to comply strictly with applicable usury laws; accordingly, it is stipulated and agreed that the aggregate of all amounts which constitute interest under applicable usury laws, whether contracted for, charged, taken, reserved, or received, in connection with the indebtedness evidenced by this Agreement or any Notes, or any other document relating or referring hereto or thereto, now or hereafter existing, shall never exceed under any circumstance whatsoever the maximum amount of interest allowed by applicable usury laws.

4.2 Conversion and Continuation Options. (a) Subject to its obligations pursuant to Section 4.12(c), the Borrower may elect from time to time to convert outstanding Loans of a given Tranche from Eurodollar Loans to ABR Loans or from SOFR Loans to ABR Loans, in each case by the Borrower giving the Administrative Agent irrevocable notice of such election prior to 1:00 P.M., New York City time two Business Days prior to such election. The Borrower may elect from time to time to convert outstanding Term Loans of a given Tranche from ABR Loans to Eurodollar Loans or SOFR Loans (as applicable to such respective Tranche), by the Borrower giving the Administrative Agent irrevocable notice of such election prior to 1:00 P.M., New York City time at least three Business Day prior to such election. Any such notice of conversion to Eurodollar Loans or SOFR Loans (as applicable) shall specify the length of the initial Interest Period or Interest Periods therefor. Upon receipt of any such notice the Administrative Agent shall promptly notify each affected Lender thereof. All or any part of outstanding Eurodollar Loans, SOFR Loans or ABR Loans may be converted as provided herein, provided that (i) (unless the Required Lenders otherwise consent) no Loan may be converted into a Eurodollar Loan or SOFR Loan (as applicable) when any Default or Event of Default has occurred and is continuing and, in the case of any Default (other than a Default under Section 9.1(f)), the Administrative Agent has given notice to the Borrower that no such conversions may be made and (ii) no Term Loan may be converted into a Eurodollar Loan or SOFR Loan (as applicable) after the date that is one month prior to the Initial Term Loan Maturity Date (in the case of Initial Term Loans), the Tranche B Term Loan Maturity Date (in the case of Tranche B Term Loans), the Tranche C Term Loan Maturity Date (in the case of Tranche C Term Loans), the Tranche D Term Loan Maturity Date (in the case of Tranche D Term Loans), the Tranche E Term Loan Maturity Date (in the case of Tranche E Term Loans), the Tranche F Term Loan Maturity Date (in the case of Tranche F Term Loans) ~~or~~, the Tranche G Term Loan Maturity Date (in the case of Tranche G Term Loans) or the Tranche H Term Loan Maturity Date (in the case of Tranche H Term Loans).

(b) Any Eurodollar Loan or SOFR Loan (as applicable) may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving the Administrative Agent irrevocable notice of such continuation prior to 1:00 P.M., New York City time three Business Days prior to such continuation, including the length of the next Interest Period to be applicable to such Eurodollar Loan or SOFR Loan (as applicable), determined in accordance with the applicable provisions of the term “Interest Period” set forth in Section 1.1, provided that no Eurodollar Loan or SOFR Loan (as applicable) may be continued as such (i) (unless the Required Lenders otherwise consent) when any Default or Event of

Default has occurred and is continuing and, in the case of any Default (other than a Default under Section 9.1(f)), the Administrative Agent has given notice to the Borrower that no such continuations may be made or (ii) after the date that is one month prior to the applicable Maturity Date, and provided, further, that if the Borrower shall fail to give any required notice as described above in this clause (b) or if such continuation is not permitted pursuant to the preceding proviso such Eurodollar Loans or SOFR Loans (as applicable) shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period. Upon receipt of any such notice of continuation pursuant to this Section 4.2(b), the Administrative Agent shall promptly notify each affected Lender thereof.

(c) Notwithstanding any other provision of this Agreement, it is understood and agreed that on the First Incremental Amendment Closing Date and the Tranche B Delayed Draw Closing Date (each, a “Required Conversion Date”), the Borrower shall elect to convert any then outstanding Tranche B Term Loans that are Eurodollar Loans to either (i) ABR Loans or (ii) Eurodollar Loans having an Interest Period designated by the Borrower, in each case regardless of whether such Required Conversion Date is the last day of an Interest Period with respect to such Tranche B Term Loans, and each Required Conversion Date shall constitute an Interest Payment Date with respect to all outstanding Tranche B Term Loans. On each Required Conversion Date, the new Tranche B Term Loans incurred on such date shall be allocated ratably to the then outstanding Borrowings of ABR Loans and Eurodollar Loans after giving effect to such conversion (based upon the relative amount that the aggregate principal amount of Tranche B Term Loans that are ABR Loans or Tranche B Term Loans that are Eurodollar Loans, respectively, outstanding on such Required Conversion Date (after giving effect to such conversion) bears to the aggregate principal amount of Tranche B Term Loans outstanding on such Required Conversion Date), with the effect that: (A) the new Tranche B Term Loans allocated to Eurodollar Loans shall be added to (and thereafter be deemed to constitute a part of) such Eurodollar Loans, and be subject to the same Adjusted LIBOR Rates and Interest Periods (in each case after giving effect to such conversion) as such Eurodollar Loans to which they are added and (B) the new Tranche B Term Loans allocated to ABR Loans shall be added to (and thereafter be deemed to constitute part of) such ABR Loans, and be subject to the same Alternate Base Rate as such ABR Loans to which they are added. The Administrative Agent shall (and is hereby authorized to) take all appropriate actions in connection with the incurrence of new Tranche B Term Loans on each Required Conversion Date to ensure that all Lenders with Tranche B Term Loans outstanding on such Required Conversion Date (after giving effect to the incurrence of new Tranche B Term Loans on such Required Conversion Date) participate pro rata in accordance with this Section 4.2(c) in each Borrowing of Tranche B Term Loans (as increased by the amount of new Tranche B Term Loans incurred on such Required Conversion Date). Each Tranche B Term Lender agrees that the provisions of Section 4.12 shall not apply to any conversion of Eurodollar Loans of such Lender on any Required Conversion Date pursuant to this Section 4.2(c). From the First Incremental Amendment Closing Date, the Tranche B Refinancing Term Loans and the Tranche B Initial Term Loans shall constitute a single Tranche of Tranche B Term Loans having identical terms as set forth herein and from the Tranche B Delayed Draw Closing Date, the Tranche B Refinancing Term Loans, the Tranche B Initial Term Loans and the Tranche B Delayed Draw Term Loans shall constitute a single Tranche of Tranche B Term Loans having identical terms as set forth herein.

4.3 Minimum Amounts; Maximum Sets. All borrowings, conversions and continuations of Term Loans hereunder and all selections of Interest Periods hereunder shall be in such amounts and be made pursuant to such elections so that, after giving effect thereto, the aggregate principal amount of the Eurodollar Loans or SOFR Loans (as applicable) comprising each Set shall be equal to \$1.0 million or a whole multiple of \$250,000 in excess thereof and so that there shall not be more than 12 Sets at any one time outstanding.

4.4 Optional and Mandatory Prepayments. (a) The Borrower may at any time and from time to time prepay the Term Loans made to it, in whole or in part, subject to Section 4.12, without premium or penalty (except as provided in Section 4.5(b), (c), (e), (f), (g), (h) and (i) and (j)), upon notice by the Borrower to the Administrative Agent prior to 2:00 P.M., New York City time at least three Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to the date of prepayment (in the case of Eurodollar Loans or SOFR Loans (as applicable)), or prior to 2:00 P.M., New York City time at least one Business Day prior to the date of prepayment (in the case of ABR Loans) (or such later time as may be agreed by the Administrative Agent in its reasonable discretion). Such notice shall specify, in the case of any prepayment of Term Loans, the applicable Tranche being repaid (which, at the discretion of the Borrower, may be the Initial Term Loans, the Tranche B Term Loans, the Tranche C Term Loans, the Tranche D Term Loans, the Tranche E Term Loans, the Tranche F Term Loans, the Tranche G Term Loans, the Tranche H Term Loans, any Incremental Loans or any Extended Term Loans and/or a combination thereof), and if a combination thereof, the principal amount allocable to each, the date and amount of prepayment and whether the prepayment is of Eurodollar Loans, SOFR Loans or ABR Loans or a combination thereof, and, in each case if a combination thereof, the principal amount allocable to each. Any such notice may state that such notice is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Upon the receipt of any such notice the Administrative Agent shall promptly notify each affected Lender thereof. If any such notice is given and not revoked, the amount specified in such notice shall be due and payable on the date specified therein, together with (if a Eurodollar Loan is prepaid other than at the end of the Interest Period applicable thereto) any amounts payable pursuant to Section 4.12. Partial prepayments pursuant to this Section 4.4(a) shall be equal to \$1.0 million or a whole multiple of \$500,000 in excess thereof; provided that, notwithstanding the foregoing, any Term Loan may be prepaid in its entirety. Each prepayment of Initial Term Loans pursuant to this Section 4.4(a) made on or prior to the first anniversary of the Closing Date in connection with an Initial Term Loan Repricing Transaction shall be accompanied by the payment of the fee required by Section 4.5(b). Each prepayment of Tranche B Term Loans pursuant to this Section 4.4(a) (except a prepayment required to be made pursuant to Section 8 of the First Incremental Amendment) made on or prior to December 31, 2013 in connection with a Tranche B Term Loan Repricing Transaction shall be accompanied by the payment of the fee required by Section 4.5(c). Each prepayment of Tranche C Term Loans pursuant to this Section 4.4(a) made on or prior to May 21, 2017 in connection with a Tranche C Term Loan Repricing Transaction shall be accompanied by the payment of the fee required by Section 4.5(e). Each prepayment of Tranche D Term Loans pursuant to this Section 4.4(a) made on or prior to November 22, 2017 in connection with a Tranche D Term Loan Repricing Transaction shall be accompanied by the payment of the fee required by Section 4.5(f). Each prepayment of Tranche E Term Loans

pursuant to this Section 4.4(a) made on or prior to June 6, 2018 in connection with a Tranche E Term Loan Repricing Transaction shall be accompanied by the payment of the fee required by Section 4.5(g). Each prepayment of Tranche F Term Loans pursuant to this Section 4.4(a) made on or prior to December 7, 2018 in connection with a Tranche F Term Loan Repricing Transaction shall be accompanied by the payment of the fee required by Section 4.5(h). Each prepayment of Tranche G Term Loans pursuant to this Section 4.4(a) made on or prior to July 20, 2021 in connection with a Tranche G Term Loan Repricing Transaction shall be accompanied by the payment of the fee required by Section 4.5(i). Each prepayment of Tranche H Term Loans pursuant to this Section 4.4(a) made on or prior to May 1, 2023 in connection with a Tranche H Term Loan Repricing Transaction shall be accompanied by the payment of the fee required by Section 4.5(j).

(b) (i) [Reserved]; (ii) [reserved], and (iii) the Borrower shall, in accordance with Section 4.4(c), prepay the Term Loans within 120 days following the last day of the immediately preceding Fiscal Year (commencing with the Fiscal Year ending on or about September 30, 2021) (each, an “ECF Payment Date”), in an amount equal to (A) (1) 50.0% (as may be adjusted pursuant to the last proviso of this clause (iii)) of the Borrower’s Excess Cash Flow for such Fiscal Year (such amount, the “Applicable ECF Amount”), if and to the extent that the Applicable ECF Amount exceeds the greater of \$40.0 million and 5.0% of EBITDA for the then applicable Measurement Period minus (2) the sum of (t) the aggregate principal amount of Term Loans (including Incremental Term Loans) repaid pursuant to Section 2.2(b), 2.2(c), 2.2(d), 2.2(e), 2.2(f), 2.2(g), or 2.2(h), prepaid pursuant to Section 4.4(a) or repaid or purchased pursuant to Section 11.6(h) (limited to the amount paid in cash) and Pari Passu Indebtedness (other than the loans under the Senior Revolving Credit Facility) (in the case of revolving loans, to the extent accompanied by a corresponding permanent commitment reduction) voluntarily prepaid, redeemed, repurchased or repaid pursuant to a scheduled principal payment, in each case during such Fiscal Year or in the case of voluntary prepayments of Tranche B Term Loans pursuant to Section 4.4(a) made on or after the Second Amendment Date and on or prior to the Trigger Date, during a previous Fiscal Year (to the extent such voluntary prepayments have not previously been applied to reduce the amount of prepayment required to be made by the Borrower pursuant to this Section 4.4(b)(iii) in a previous Fiscal Year or to reduce scheduled amortization of the Tranche B Term Loans) (which, in any event, shall not include any designated prepayment pursuant to clause (w) below), (u) the aggregate amount of cash consideration paid by the Borrower and the Restricted Subsidiaries (on a consolidated basis) in connection with dividends, distributions or investments made during such fiscal year (other than intercompany investments by and among the Borrower and its Restricted Subsidiaries) and Acquisitions (which, in any event, shall not include any Contract Consideration previously deducted pursuant to clause (z) below), (v) the amount of Capital Expenditures either made in cash or accrued during such fiscal year (provided that, whether any such Capital Expenditures shall be deducted for the fiscal year in which cash payments for such Capital Expenditures have been paid or the fiscal year in which such Capital Expenditures have been accrued shall be at the Borrower’s election; provided, further that, in no case shall any Capital Expenditure which has previously been deducted give rise to a subsequent deduction upon the making of such Capital Expenditure in cash in the same or any subsequent fiscal year) (which, in any event, shall not include any Capital Expenditures previously deducted pursuant to clause (z) below), (w) the aggregate principal amount of Term Loans (including Incremental Term Loans) prepaid pursuant to Section 4.4(a) and Pari Passu Indebtedness (other than the loans under the Senior Revolving

Credit Facility) (in the case of revolving loans, to the extent accompanied by a corresponding permanent commitment reduction) voluntarily prepaid, redeemed, repurchased or repaid during the period beginning with the day following the last day of such Fiscal Year and ending on the ECF Payment Date and stated by the Borrower as prepaid pursuant to this Section 4.4(b)(iii) (provided that no prepayments made pursuant to Section 4.4(h) or the other clauses of this Section 4.4(b) shall be included in Section 4.4(b)(iii)(A)(2)(t) or (w)), (x) any loans under the Senior Revolving Credit Facility prepaid to the extent accompanied by a corresponding permanent commitment reduction under the Senior Revolving Credit Facility during such Fiscal Year (which, in any event, shall not include any designated prepayment pursuant to clause (y) below), (y) the aggregate principal amount of loans under the Senior Revolving Credit Facility prepaid to the extent accompanied by a corresponding permanent commitment reduction under the Senior Revolving Credit Facility during the period beginning with the day following the last day of such Fiscal Year and ending on the ECF Payment Date and stated by the Borrower as prepaid pursuant to this Section 4.4(b)(iii) and (z) at the Borrower's election, without duplication of amounts deducted from Excess Cash Flow pursuant to this Section 4.4(b)(iii)(A)(2) in respect of prior fiscal years, the aggregate consideration required to be paid in cash by the Borrower or any of the Restricted Subsidiaries pursuant to binding contracts (the "Contract Consideration") entered into prior to or during such fiscal year relating to contingent contractual obligations to artists, songwriters and co-publishers, dividends, distributions or investments (other than intercompany investments by and among the Borrower and its Restricted Subsidiaries), Acquisitions or Capital Expenditures expected to be consummated or made during the period of four consecutive fiscal quarters of the Borrower following the end of such fiscal year, provided that to the extent the aggregate amount of internally generated cash actually utilized to finance such contingent contractual obligations to artists, songwriters and co-publishers, dividends, distributions, investments, Acquisitions and Capital Expenditures during such period of four consecutive fiscal quarters is less than the Contract Consideration, the amount of such shortfall shall be added to the calculation of Excess Cash Flow at the end of such period of four consecutive fiscal quarters, in the case of clauses (t) through (z), excluding prepayments funded with proceeds from the incurrence of long-term Indebtedness (the amount described in this clause (A), the "ECF Prepayment Amount") minus (B) the portion of such ECF Prepayment Amount applied (to the extent Borrower or any of its Subsidiaries is required by the terms thereof) to prepay, repay or purchase Pari Passu Indebtedness on a pro rata basis with the Term Loans; provided that such percentage in clause (1) above shall be reduced to (x) 25% if the First Lien Indebtedness to EBITDA Ratio as of the last day of the immediately preceding Fiscal Year was less than or equal to 4.50:1.00 and greater than 4.00:1.00 and (y) 0% if the First Lien Indebtedness to EBITDA Ratio as of the last day of the immediately preceding Fiscal Year was less than or equal to 4.00:1.00. Nothing in this Section 4.4(b) shall limit the rights of the Agents and the Lenders set forth in Section 9.

(c) Subject to the last sentence of Section 4.4(d) and Section 4.4(g), each prepayment of Term Loans pursuant to Section 4.4(b) shall be allocated pro rata among the Initial Term Loans, Tranche B Term Loans, Tranche C Term Loans, Tranche D Term Loans, Tranche E Term Loans, Tranche F Term Loans, Tranche G Term Loans, Tranche H Term Loans, the Incremental Term Loans and the Extended Term Loans; provided, that at the request of the Borrower, in lieu of such application on a pro rata basis among all Tranches of Term Loans, such prepayment may be applied to any Tranche of Term Loans so long as the maturity date of such Tranche of Term Loans precedes the maturity date of each other Tranche of Term Loans then



outstanding or, in the event more than one Tranche of Term Loans shall have an identical maturity date that precedes the maturity date of each other Tranche of Term Loans then outstanding, to such Tranches on a pro rata basis. Each prepayment of Term Loans pursuant to Section 4.4(a) and (b) shall be applied within each Tranche of Term Loans to the respective installments of principal thereof in the manner directed by the Borrower (or, if no such direction is given, in direct order of maturity). Notwithstanding any other provision of this Section 4.4, a Lender may, at its option, and if agreed by the Borrower, in connection with any prepayment of Term Loans pursuant to Section 4.4(a) or (b), exchange such Lender's portion of the Term Loan to be prepaid for Rollover Indebtedness, in lieu of such Lender's pro rata portion of such prepayment (and any such Term Loans so exchanged shall be deemed repaid for all purposes under the Loan Documents); provided that the Administrative Agent shall have no duties or obligations to manage such Rollover Indebtedness.

(d) The Borrower shall give notice to the Administrative Agent of any mandatory prepayment of the Term Loans pursuant to Section 4.4(b)(iii), three Business Days prior to the date on which such payment is due. Such notice shall state that the Borrower is offering to make or will make such mandatory prepayment, in the case of mandatory prepayments pursuant to Section 4.4(b)(iii), on or before the date specified in Section 4.4(b)(iii), as the case may be (each, a "Prepayment Date"). Once given, such notice shall be irrevocable and all amounts subject to such notice shall be due and payable on the Prepayment Date (except as otherwise provided in the last sentence of this Section 4.4(d)). Upon receipt by the Administrative Agent of such notice, the Administrative Agent shall immediately give notice to each Lender of the prepayment and the Prepayment Date. The Borrower (in its sole discretion) may give each Lender the option (in its sole discretion) to elect to decline any such prepayment pursuant to Section 4.4(b)(iii) by giving notice of such election in writing to the Administrative Agent by 11:00 A.M., New York City time, on the date that is three Business Days prior to the Prepayment Date. Upon receipt by the Administrative Agent of such notice, the Administrative Agent shall immediately notify the Borrower of such election. Any amount so declined by any Lender may, at the option of the Borrower, be applied to the payment or prepayment of Indebtedness, including the Existing Unsecured Notes and any Subordinated Indebtedness, or otherwise be retained by the Borrower and its Restricted Subsidiaries and/or applied by the Borrower or any of its Restricted Subsidiaries in any manner not inconsistent with this Agreement. In connection with any mandatory prepayments by the Borrower pursuant to Section 4.4(b), such prepayments shall be applied on a pro rata basis to the then outstanding Term Loans being prepaid irrespective of whether such outstanding Term Loans are ABR Loans ~~or~~, Eurodollar Loans or SOFR Loans; provided that if no Lenders exercise the right to decline a mandatory prepayment pursuant to Section 4.4(b), then, with respect to such mandatory prepayment, the amount of such mandatory prepayment shall be applied first to Term Loans that are ABR Loans to the full extent thereof before application to Term Loans that are Eurodollar Loans or SOFR Loans.

(e) Amounts prepaid on account of Term Loans pursuant to Section 4.4(a), (b) or (h) may not be reborrowed.

(f) Notwithstanding the foregoing provisions of this Section 4.4, if at any time any prepayment of the Term Loans pursuant to Section 4.4(a) or (b) would result, after giving effect to the procedures set forth in this Agreement, in the Borrower incurring breakage

costs under Section 4.12 as a result of Eurodollar Loans being prepaid other than on the last day of an Interest Period with respect thereto, then, the Borrower may, so long as no Default or Event of Default shall have occurred and be continuing, in its sole discretion, initially (i) deposit a portion (up to 100.0%) of the amounts that otherwise would have been paid in respect of such Eurodollar Loans or SOFR Loans (as applicable) with the Administrative Agent (which deposit must be equal in amount to the amount of such Eurodollar Loans or SOFR Loans (as applicable) not immediately prepaid), to be held as security for the obligations of the Borrower to make such prepayment pursuant to a cash collateral agreement to be entered into on terms reasonably satisfactory to the Administrative Agent with such cash collateral to be directly applied upon the first occurrence thereafter of the last day of an Interest Period with respect to such Eurodollar Loans or SOFR Loans (as applicable) (or such earlier date or dates as shall be requested by the Borrower) or (ii) make a prepayment of the Term Loans in accordance with Section 4.4(a) with an amount equal to a portion (up to 100.0%) of the amounts that otherwise would have been paid in respect of such Eurodollar Loans or SOFR Loans (as applicable) (which prepayment, together with any deposits pursuant to clause (i) above, must be equal in amount to the amount of such Eurodollar Loans or SOFR Loans (as applicable) not immediately prepaid); provided that, in the case of either clause (i) or (ii) above, such unpaid Eurodollar Loans or SOFR Loans (as applicable) shall continue to bear interest in accordance with Section 4.1 until such unpaid Eurodollar Loans or SOFR Loans (as applicable) or the related portion of such Eurodollar Loans or SOFR Loans (as applicable), as the case may be, have or has been prepaid. In addition, if the Borrower reasonably determines in good faith that any amounts attributable to Foreign Subsidiaries that are required to be applied to prepay Term Loans pursuant to Section 4.4(b)(iii) would violate applicable Laws or result in material adverse tax consequences to the Borrower or any of its Restricted Subsidiaries, then the Borrower shall not be required to prepay such amounts as required thereunder; provided that the Borrower and its Subsidiaries shall take commercially reasonable actions to repatriate the proceeds subject to such prepayments in order to effect such prepayments without violating applicable Laws or incurring material adverse tax consequences.

(g) Notwithstanding anything to the contrary herein, this Section 4.4 may be amended (and the Lenders hereby irrevocably authorize the Administrative Agent to enter into any such amendments) to the extent necessary to reflect differing amounts payable, and priorities of payments, to Lenders participating in any new classes or tranches of Term Loans added pursuant to Sections 2.6 and 2.8, as applicable, or pursuant to any other credit facility added pursuant to Section 2.6 or 11.1(e).

(h) Notwithstanding anything in any Loan Document to the contrary, so long as no Event of Default under Section 9.1(a) or (f) has occurred and is continuing, the Borrower may prepay the outstanding Term Loans on the following basis:

(i) The Borrower shall have the right to make a voluntary prepayment of Term Loans at a discount to par (such prepayment, the “Discounted Term Loan Prepayment”) pursuant to a Borrower Offer of Specified Discount Prepayment, a Borrower Solicitation of Discount Range Prepayment Offers, or a Borrower Solicitation of Discounted Prepayment Offers, in each case made in accordance with this Section 4.4(h); provided that the Borrower shall not initiate any action under this Section 4.4(h) in order to make a Discounted Term Loan Prepayment unless (1) at least ten Business



Days shall have passed since the consummation of the most recent Discounted Term Loan Prepayment as a result of a prepayment made by the Borrower on the applicable Discounted Prepayment Effective Date or (2) at least three Business Days shall have passed since the date the Borrower was notified that no Lender was willing to accept any prepayment of any Term Loan at the Specified Discount, within the Discount Range or at any discount to par value, as applicable, or in the case of Borrower Solicitation of Discounted Prepayment Offers, the date of the Borrower's election not to accept any Solicited Discounted Prepayment Offers made by a Lender. Each Lender participating in any Discounted Term Loan Prepayment acknowledges and agrees that in connection with such Discounted Term Loan Prepayment, (1) the Borrower then may have, and later may come into possession of, information regarding the Term Loans or the Loan Parties hereunder that is not known to such Lender and that may be material to a decision by such Lender to participate in such Discounted Term Loan Prepayment ("Excluded Information"), (2) such Lender has independently and, without reliance on the Borrower, any of its Subsidiaries, the Administrative Agent or any of their respective Affiliates, has made its own analysis and determination to participate in such Discounted Term Loan Prepayment notwithstanding such Lender's lack of knowledge of the Excluded Information and (3) none of the Borrower, its Subsidiaries, the Administrative Agent, or any of their respective Affiliates shall have any liability to such Lender, and such Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against the Borrower, its Subsidiaries, the Administrative Agent, and their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. Each Lender participating in any Discounted Term Loan Prepayment further acknowledges that the Excluded Information may not be available to the Administrative Agent or the other Lenders. Any Term Loans prepaid pursuant to this Section 4.4(h) shall be immediately and automatically cancelled.

(ii) Borrower Offer of Specified Discount Prepayment.

(1) The Borrower may from time to time offer to make a Discounted Term Loan Prepayment by providing the Administrative Agent with three Business Days' notice in the form of a Specified Discount Prepayment Notice; provided that (I) any such offer shall be made available, at the sole discretion of the Borrower, to each Lender or to each Lender with respect to any Tranche on an individual Tranche basis, (II) any such offer shall specify the aggregate Outstanding Amount offered to be prepaid (the "Specified Discount Prepayment Amount"), the Tranches of Term Loans subject to such offer and the specific percentage discount to par value (the "Specified Discount") of the Outstanding Amount of such Term Loans to be prepaid, (III) the Specified Discount Prepayment Amount shall be in an aggregate amount not less than \$5.0 million and whole increments of \$500,000, and (IV) each such offer shall remain outstanding through the Specified Discount Prepayment Response Date. The Administrative Agent will promptly provide each relevant Lender with a copy of such Specified Discount Prepayment Notice and a form of the Specified Discount Prepayment Response to be completed and returned by each such Lender to the Administrative Agent (or its delegate) by no later than 5:00 P.M., New York time, on the third Business Day after the date of delivery of such notice to the relevant

Lenders (or such later date designated by the Administrative Agent and approved by the Borrower) (the “Specified Discount Prepayment Response Date”).

(2) Each relevant Lender receiving such offer shall notify the Administrative Agent (or its delegate) by the Specified Discount Prepayment Response Date whether or not it agrees to accept a prepayment of any of its relevant then outstanding Term Loans at the Specified Discount and, if so (such accepting Lender, a “Discount Prepayment Accepting Lender”), the amount of such Lender’s Outstanding Amount and Tranches of Term Loans to be prepaid at such offered discount. Each acceptance of a Discounted Term Loan Prepayment by a Discount Prepayment Accepting Lender shall be irrevocable. Any Lender whose Specified Discount Prepayment Response is not received by the Administrative Agent by the Specified Discount Prepayment Response Date shall be deemed to have declined to accept such Borrower Offer of Specified Discount Prepayment.

(3) If there is at least one Discount Prepayment Accepting Lender, the Borrower will make prepayment of outstanding Term Loans pursuant to this Section 4.4(h)(ii) to each Discount Prepayment Accepting Lender in accordance with the respective Outstanding Amount and Tranches of Term Loans specified in such Lender’s Specified Discount Prepayment Response given pursuant to the foregoing clause (2); provided that, if the aggregate Outstanding Amount of Term Loans accepted for prepayment by all Discount Prepayment Accepting Lenders exceeds the Specified Discount Prepayment Amount, such prepayment shall be made pro rata among the Discount Prepayment Accepting Lenders in accordance with the respective Outstanding Amounts accepted to be prepaid by each such Discount Prepayment Accepting Lender and the Administrative Agent (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) will calculate such proration (the “Specified Discount Proration”). The Administrative Agent shall promptly, and in any case within three Business Days following the Specified Discount Prepayment Response Date, notify (I) the Borrower of the respective Lenders’ responses to such offer, the Discounted Prepayment Effective Date and the aggregate Outstanding Amount of the Discounted Term Loan Prepayment and the Tranches to be prepaid, (II) each Lender of the Discounted Prepayment Effective Date, and the aggregate Outstanding Amount and the Tranches of all Term Loans to be prepaid at the Specified Discount on such date, and (III) each Discount Prepayment Accepting Lender of the Specified Discount Proration, if any, and confirmation of the Outstanding Amount, Tranche and Type of Term Loans of such Lender to be prepaid at the Specified Discount on such date. Each determination by the Administrative Agent of the amounts stated in the foregoing notices to the Borrower and Lenders shall be conclusive and binding for all purposes absent manifest error. The payment amount specified in such notice to the Borrower shall be due and payable by the Borrower on the Discounted Prepayment Effective Date in accordance with Section 4.4(h)(vi) below (subject to Section 4.4(h)(x) below).

(iii) Borrower Solicitation of Discount Range Prepayment Offers.

(1) The Borrower may from time to time solicit Discount Range Prepayment Offers by providing the Administrative Agent with three Business Days' notice in the form of a Discount Range Prepayment Notice; provided that (I) any such solicitation shall be extended, at the sole discretion of the Borrower, to each Lender or to each Lender with respect to any Tranche on an individual Tranche basis, (II) any such notice shall specify the maximum aggregate Outstanding Amount of the relevant Term Loans that the Borrower is willing to prepay at a discount (the "Discount Range Prepayment Amount"), the Tranches of Term Loans subject to such offer and the maximum and minimum percentage discounts to par (the "Discount Range") of the Outstanding Amount of such Term Loans willing to be prepaid by the Borrower, (III) the Discount Range Prepayment Amount shall be in an aggregate amount not less than \$5.0 million and whole increments of \$500,000, and (IV) each such solicitation by the Borrower shall remain outstanding through the Discount Range Prepayment Response Date. The Administrative Agent will promptly provide each relevant Lender with a copy of such Discount Range Prepayment Notice and a form of the Discount Range Prepayment Offer to be submitted by a responding relevant Lender to the Administrative Agent (or its delegate) by no later than 5:00 P.M., New York time, on the third Business Day after the date of delivery of such notice to the relevant Lenders (or such later date as may be designated by the Administrative Agent and approved by the Borrower) (the "Discount Range Prepayment Response Date"). Each relevant Lender's Discount Range Prepayment Offer shall be irrevocable and shall specify a discount to par within the Discount Range (the "Submitted Discount") at which such Lender is willing to allow prepayment of any or all of its then outstanding Term Loans and the maximum aggregate Outstanding Amount and Tranches of such Term Loans such Lender is willing to have prepaid at the Submitted Discount (the "Submitted Amount"). Any Lender whose Discount Range Prepayment Offer is not received by the Administrative Agent by the Discount Range Prepayment Response Date shall be deemed to have declined to accept a Discounted Term Loan Prepayment of any of its Term Loans at any discount to their par value within the Discount Range.

(2) The Administrative Agent shall review all Discount Range Prepayment Offers received by it by the Discount Range Prepayment Response Date and will determine (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) the Applicable Discount and Term Loans to be prepaid at such Applicable Discount in accordance with this Section 4.4(h)(iii). The Borrower agrees to accept on the Discount Range Prepayment Response Date all Discount Range Prepayment Offers received by Administrative Agent by the Discount Range Prepayment Response Date, in the order from the Submitted Discount that is the largest discount to par to the Submitted Discount that is the smallest discount to par, up to and including the Submitted Discount that is the smallest discount to par within the Discount Range (such Submitted Discount that is the

smallest discount to par being referred to as the “Applicable Discount”) which yields a Discounted Term Loan Prepayment in an aggregate Outstanding Amount equal to the lesser of (I) the Discount Range Prepayment Amount and (II) the sum of all Submitted Amounts. Each Lender that has submitted a Discount Range Prepayment Offer to accept prepayment at a discount to par that is larger than or equal to the Applicable Discount shall be deemed to have irrevocably consented to prepayment of Term Loans equal to its Submitted Amount (subject to any required proration pursuant to the following Section 4.4(h)(iii)(3)) at the Applicable Discount (each such Lender, a “Participating Lender”).

(3) If there is at least one Participating Lender, the Borrower will prepay the respective outstanding Term Loans of each Participating Lender in the aggregate Outstanding Amount and of the Tranches specified in such Lender’s Discount Range Prepayment Offer at the Applicable Discount; provided that if the Submitted Amount by all Participating Lenders offered at a discount to par greater than the Applicable Discount exceeds the Discount Range Prepayment Amount, prepayment of the Outstanding Amount of the relevant Term Loans for those Participating Lenders whose Submitted Discount is a discount to par greater than or equal to the Applicable Discount (the “Identified Participating Lenders”) shall be made pro rata among the Identified Participating Lenders in accordance with the Submitted Amount of each such Identified Participating Lender and the Administrative Agent (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) will calculate such proration (the “Discount Range Proration”). The Administrative Agent shall promptly, and in any case within three Business Days following the Discount Range Prepayment Response Date, notify (w) the Borrower of the respective Lenders’ responses to such solicitation, the Discounted Prepayment Effective Date, the Applicable Discount, and the aggregate Outstanding Amount of the Discounted Term Loan Prepayment and the Tranches to be prepaid, (x) each Lender of the Discounted Prepayment Effective Date, the Applicable Discount, and the aggregate Outstanding Amount and Tranches of all Term Loans to be prepaid at the Applicable Discount on such date, (y) each Participating Lender of the aggregate Outstanding Amount and Tranches of such Lender to be prepaid at the Applicable Discount on such date, and (z) if applicable, each Identified Participating Lender of the Discount Range Proration. Each determination by the Administrative Agent of the amounts stated in the foregoing notices to the Borrower and Lenders shall be conclusive and binding for all purposes absent manifest error. The payment amount specified in such notice to the Borrower shall be due and payable by such Borrower on the Discounted Prepayment Effective Date in accordance with Section 4.4(h)(vi) below (subject to Section 4.4(h)(x) below).

(iv) Borrower Solicitation of Discounted Prepayment Offers.

(1) The Borrower may from time to time solicit Solicited Discounted Prepayment Offers by providing the Administrative Agent with three Business Days’ notice in the form of a Solicited Discounted Prepayment Notice; provided

that (I) any such solicitation shall be extended, at the sole discretion of the Borrower, to each Lender or to each Lender with respect to any Tranche on an individual Tranche basis, (II) any such notice shall specify the maximum aggregate Outstanding Amount of the Term Loans and the Tranches of Term Loans the Borrower is willing to prepay at a discount (the "Solicited Discounted Prepayment Amount"), (III) the Solicited Discounted Prepayment Amount shall be in an aggregate amount not less than \$5.0 million and whole increments of \$500,000, and (IV) each such solicitation by the Borrower shall remain outstanding through the Solicited Discounted Prepayment Response Date. The Administrative Agent will promptly provide each relevant Lender with a copy of such Solicited Discounted Prepayment Notice and a form of the Solicited Discounted Prepayment Offer to be submitted by a responding Lender to the Administrative Agent (or its delegate) by no later than 5:00 P.M., New York City time on the third Business Day after the date of delivery of such notice to the relevant Lenders (or such later date as may be designated by the Administrative Agent and approved by Borrower) (the "Solicited Discounted Prepayment Response Date"). Each Lender's Solicited Discounted Prepayment Offer shall (x) be irrevocable, (y) remain outstanding until the Acceptance Date, and (z) specify both a discount to par (the "Offered Discount") at which such Lender is willing to allow prepayment of its then outstanding Term Loans and the maximum aggregate Outstanding Amount and Tranches of such Term Loans (the "Offered Amount") such Lender is willing to have prepaid at the Offered Discount. Any Lender whose Solicited Discounted Prepayment Offer is not received by the Administrative Agent by the Solicited Discounted Prepayment Response Date shall be deemed to have declined prepayment of any of its Term Loans at any discount to their par value.

(2) The Administrative Agent shall promptly provide the Borrower with a copy of all Solicited Discounted Prepayment Offers received by it by the Solicited Discounted Prepayment Response Date. The Borrower shall review all such Solicited Discounted Prepayment Offers and select, at its sole discretion, the smallest of the Offered Discounts specified by the relevant responding Lenders in the Solicited Discounted Prepayment Offers that the Borrower is willing to accept (the "Acceptable Discount"), if any; provided that the Acceptable Discount shall not be an Offered Discount that is larger than the smallest Offered Discount for which the sum of all Offered Amounts affiliated with Offered Discounts that are larger than or equal to such smallest Offered Discount would, if purchased at such smallest Offered Discount, yield an amount at least equal to the Solicited Discounted Prepayment Amount. If the Borrower elects to accept any Offered Discount as the Acceptable Discount, then as soon as practicable after the determination of the Acceptable Discount, but in no event later than by the third Business Day after the date of receipt by the Borrower from the Administrative Agent of a copy of all Solicited Discounted Prepayment Offers pursuant to the first sentence of this clause (2) (the "Acceptance Date"), the Borrower shall submit an Acceptance and Prepayment Notice to the Administrative Agent setting forth the Acceptable Discount. If the Administrative Agent shall fail to receive an Acceptance and Prepayment Notice from the Borrower by the Acceptance Date,

the Borrower shall be deemed to have rejected all Solicited Discounted Prepayment Offers.

(3) Based upon the Acceptable Discount and the Solicited Discounted Prepayment Offers received by Administrative Agent by the Solicited Discounted Prepayment Response Date, within three Business Days after receipt of an Acceptance and Prepayment Notice (the “Discounted Prepayment Determination Date”), the Administrative Agent will determine (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) the aggregate Outstanding Amount and the Tranches of Term Loans (the “Acceptable Prepayment Amount”) to be prepaid by the Borrower at the Acceptable Discount in accordance with this Section 4.4(h)(iv). If the Borrower elects to accept any Acceptable Discount, then the Borrower agrees to accept all Solicited Discounted Prepayment Offers received by the Administrative Agent by the Solicited Discounted Prepayment Response Date, in the order from largest Offered Discount to smallest Offered Discount, up to and including the Acceptable Discount. Each Lender that has submitted a Solicited Discounted Prepayment Offer to accept prepayment at an Offered Discount that is greater than or equal to the Acceptable Discount shall be deemed to have irrevocably consented to prepayment of Term Loans equal to its Offered Amount (subject to any required proration pursuant to the following sentence) at the Acceptable Discount (each such Lender, a “Qualifying Lender”). The Borrower will prepay outstanding Term Loans pursuant to this Section 4.4(h)(iv) to each Qualifying Lender in the aggregate Outstanding Amount and of the Tranches specified in such Lender’s Solicited Discounted Prepayment Offer at the Acceptable Discount; provided that if the aggregate Offered Amount by all Qualifying Lenders whose Offered Discount is greater than or equal to the Acceptable Discount exceeds the Solicited Discounted Prepayment Amount, prepayment of the Outstanding Amount of the Term Loans for those Qualifying Lenders whose Offered Discount is greater than or equal to the Acceptable Discount (the “Identified Qualifying Lenders”) shall be made pro rata among the Identified Qualifying Lenders in accordance with the Offered Amount of each such Identified Qualifying Lender and the Administrative Agent (in consultation with the Borrower and subject to rounding requirements of the Administrative Agent made in its reasonable discretion) will calculate such proration (the “Solicited Discount Proration”). On or prior to the Discounted Prepayment Determination Date, the Administrative Agent shall promptly notify (w) the Borrower of the Discounted Prepayment Effective Date and Acceptable Prepayment Amount comprising the Discounted Term Loan Prepayment and the Tranches to be prepaid, (x) each Lender of the Discounted Prepayment Effective Date, the Acceptable Discount, and the Acceptable Prepayment Amount of all Term Loans and the Tranches to be prepaid at the Applicable Discount on such date, (y) each Qualifying Lender of the aggregate Outstanding Amount and the Tranches of such Lender to be prepaid at the Acceptable Discount on such date, and (z) if applicable, each Identified Qualifying Lender of the Solicited Discount Proration. Each determination by the Administrative Agent of the amounts stated in the foregoing notices to the Borrower and Lenders shall be conclusive and



binding for all purposes absent manifest error. The payment amount specified in such notice to the Borrower shall be due and payable by the Borrower on the Discounted Prepayment Effective Date in accordance with Section 4.4(h)(vi) below (subject to Section 4.4(h)(x) below).

(v) Expenses. In connection with any Discounted Term Loan Prepayment, the Borrower and the Lenders acknowledge and agree that the Administrative Agent may require as a condition to any Discounted Term Loan Prepayment, the payment of reasonable out-of-pocket costs and expenses from the Borrower in connection therewith.

(vi) Payment. If any Term Loan is prepaid in accordance with Sections 4.4(h)(ii) through (iv) above, the Borrower shall prepay such Term Loans on the Discounted Prepayment Effective Date. The Borrower shall make such prepayment to the Administrative Agent, for the account of the Discount Prepayment Accepting Lenders, Participating Lenders, or Qualifying Lenders, as applicable, at the Administrative Agent's Office in immediately available funds not later than 11:00 A.M. (New York City time) on the Discounted Prepayment Effective Date and all such prepayments shall be applied to the remaining principal installments of the Term Loans in inverse order of maturity. The Term Loans so prepaid shall be accompanied by all accrued and unpaid interest on the par principal amount so prepaid up to, but not including, the Discounted Prepayment Effective Date. Each prepayment of the outstanding Term Loans pursuant to this Section 4.4(h) shall be paid to the Discount Prepayment Accepting Lenders, Participating Lenders, or Qualifying Lenders, as applicable. The aggregate Outstanding Amount of the Tranches of the Term Loans outstanding shall be deemed reduced by the full par value of the aggregate Outstanding Amount of the Tranches of Term Loans prepaid on the Discounted Prepayment Effective Date in any Discounted Term Loan Prepayment. The Lenders hereby agree that, in connection with a prepayment of Term Loans pursuant to this Section 4.4(h) and notwithstanding anything to the contrary contained in this Agreement, (i) interest in respect of the Term Loans may be made on a non-pro rata basis among the Lenders holding such Term Loans to reflect the payment of accrued interest to certain Lenders as provided in this Section 4.4(h)(vi) and (ii) all subsequent prepayments and repayments of the Term Loans (except as otherwise contemplated by this Agreement) shall be made on a pro rata basis among the respective Lenders based upon the then outstanding principal amounts of the Term Loans then held by the respective Lenders after giving effect to any prepayment pursuant to this Section 4.4(h) as if made at par. It is also understood and agreed that prepayments pursuant to this Section 4.4(h) shall not be subject to Section 4.4(a), or, for the avoidance of doubt, Section 11.7(a) or the pro rata allocation requirements of Section 4.8(a).

(vii) Other Procedures. To the extent not expressly provided for herein, each Discounted Term Loan Prepayment shall be consummated pursuant to procedures consistent with the provisions in this Section 4.4(h), established by the Administrative Agent acting in its reasonable discretion and as reasonably agreed by the Borrower.

(viii) Notice. Notwithstanding anything in any Loan Document to the contrary, for purposes of this Section 4.4(h), each notice or other communication required to be

delivered or otherwise provided to the Administrative Agent (or its delegate) shall be deemed to have been given upon the Administrative Agent's (or its delegate's) actual receipt during normal business hours of such notice or communication; provided that any notice or communication actually received outside of normal business hours shall be deemed to have been given as of the opening of business on the next Business Day.

(ix) Actions of Administrative Agent. Each of the Borrower and the Lenders acknowledges and agrees that Administrative Agent may perform any and all of its duties under this Section 4.4(h) by itself or through any Affiliate of the Administrative Agent and expressly consents to any such delegation of duties by the Administrative Agent to such Affiliate and the performance of such delegated duties by such Affiliate. The exculpatory provisions in this Agreement shall apply to each Affiliate of the Administrative Agent and its respective activities in connection with any Discounted Term Loan Prepayment provided for in this Section 4.4(h), as well as to activities of the Administrative Agent in connection with any Discounted Term Loan Prepayment provided for in this Section 4.4(h).

(x) Revocation. The Borrower shall have the right, by written notice to the Administrative Agent, to revoke in full (but not in part) its offer to make a Discounted Term Loan Prepayment and rescind the applicable Specified Discount Prepayment Notice, Discount Range Prepayment Notice or Solicited Discounted Prepayment Notice therefor at its discretion at any time on or prior to the applicable Specified Discount Prepayment Response Date (and if such offer is so revoked, any failure by the Borrower to make any prepayment to a Lender pursuant to this Section 4.4(h) shall not constitute a Default or Event of Default under Section 9.1 or otherwise).

(xi) No Obligation. This Section 4.4(h) shall not (i) require the Borrower to undertake any prepayment pursuant to this Section 4.4(h) or (ii) limit or restrict the Borrower from making voluntary prepayments of the Term Loans in accordance with the other provisions of this Agreement.

(i) Upon at least three Business Days' prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrower shall have the right, without premium or penalty, on any day, permanently to reduce either or both of the Tranche B Initial Term Loan Commitments and the Tranche B Delayed Draw Commitments, in whole or in part. Any such notice may state that such notice is conditioned upon the occurrence or non-occurrence of any event specified therein (including the effectiveness of other credit facilities), in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied.

4.5 Administrative Agent's Fee; Other Fees. (a) The Borrower agrees to pay to the Administrative Agent the fees set forth in clause (x) of the second to last paragraph of Section 5 of the Engagement Letter.

(b) If on or prior to the first anniversary of the Closing Date the Borrower makes an optional prepayment in full of the Initial Term Loans pursuant to an Initial Term Loan



Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Lender, a prepayment premium of 1.0% of the aggregate principal amount of Initial Term Loans being prepaid. If, on or prior to the first anniversary of the Closing Date, any Lender is replaced pursuant to Section 11.1(g) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under Section 11.6(g)) to replace the Loans or Commitments under any Facility or Tranche) that results in an Initial Term Loan Repricing Transaction, such Lender (and not any Person who replaces such Lender pursuant to Section 11.1(g)) shall receive its pro rata portion (as determined immediately prior to it being so replaced) of the prepayment premium described in the preceding sentence.

(c) If on or prior to December 31, 2013 the Borrower makes an optional prepayment in full of the Tranche B Term Loans (except a prepayment required to be made pursuant to Section 8 of the First Incremental Amendment) pursuant to a Tranche B Term Loan Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Tranche B Term Lender, a prepayment premium of 1.0% of the aggregate principal amount of Tranche B Term Loans being prepaid. If, on or prior December 31, 2013, any Tranche B Term Lender is replaced pursuant to Section 11.1(g) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under Section 11.6(g)) to replace the Loans or Commitments under any Facility or Tranche) that results in a Tranche B Term Loan Repricing Transaction, such Tranche B Term Lender (and not any Person who replaces such Tranche B Term Lender pursuant to Section 11.1(g)) shall receive its pro rata portion (as determined immediately prior to it being so replaced) of the prepayment premium described in the preceding sentence.

(d) The Borrower shall pay to the Administrative Agent, for the ratable account of each Tranche B Term Lender having a Tranche B Initial Term Loan Commitment or a Tranche B Delayed Draw Commitment, as the case may be, (i) a commitment fee (the "Tranche B Initial Term Loan Commitment Fee") in Dollars, which shall accrue on each day of the Tranche B Initial Term Loan Ticking Fee Period at a rate per annum equal to the Ticking Fee Rate in effect for such day on the amount of the unutilized Tranche B Initial Term Loan Commitment of such Tranche B Term Lender as of such day and (ii) a commitment fee (the "Tranche B Delayed Draw Commitment Fee", and together with the Tranche B Initial Term Loan Commitment Fee, the "Commitment Fee") in Dollars, which shall accrue on each day of the Tranche B Delayed Draw Ticking Fee Period at a rate per annum equal to the Ticking Fee Rate in effect for such day on the amount of the unutilized Tranche B Delayed Draw Commitment of such Tranche B Term Lender as of such day.

The Tranche B Initial Term Loan Commitment Fee shall be due and payable on the last day of each March, June, September and December during the Tranche B Initial Term Loan Ticking Fee Period and on the last day of the Tranche B Initial Term Loan Ticking Fee Period. The Tranche B Delayed Draw Commitment Fee shall be due and payable on the last day of each March, June, September and December during the Tranche B Delayed Draw Ticking Fee Period and on the last day of the Tranche B Delayed Draw Ticking Fee Period. The Commitment Fee shall be calculated quarterly in arrears on the basis of a 360-day year for the actual days elapsed. Notwithstanding anything to the contrary in this Agreement, (A) no Commitment Fee shall accrue on the Commitment of a Defaulting Lender so long as such Lender shall be a Defaulting Lender and (B) any Commitment Fee accrued with respect to the

Commitment of a Defaulting Lender during the period prior to the time such Lender became a Defaulting Lender and unpaid at such time shall not be payable by the Borrower so long as such Lender shall be a Defaulting Lender.

(e) If on or prior to May 21, 2017 the Borrower makes an optional prepayment in full of the Tranche C Term Loans pursuant to a Tranche C Term Loan Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Tranche C Term Lender, a prepayment premium of 1.0% of the aggregate principal amount of Tranche C Term Loans being prepaid. If, on or prior May 21, 2017, any Tranche C Term Lender is replaced pursuant to Section 11.1(g) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under Section 11.6(g) to replace the Loans or Commitments under any Facility or Tranche) that results in a Tranche C Term Loan Repricing Transaction, such Tranche C Term Lender (and not any Person who replaces such Tranche C Term Lender pursuant to Section 11.1(g)) shall receive its pro rata portion (as determined immediately prior to it being so replaced) of the prepayment premium described in the preceding sentence.

(f) If on or prior to November 22, 2017 the Borrower makes an optional prepayment in full of the Tranche D Term Loans pursuant to a Tranche D Term Loan Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Tranche D Term Lender, a prepayment premium of 1.0% of the aggregate principal amount of Tranche D Term Loans being prepaid. If, on or prior November 22, 2017, any Tranche D Term Lender is replaced pursuant to Section 11.1(g) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under Section 11.6(g) to replace the Loans or Commitments under any Facility or Tranche) that results in a Tranche D Term Loan Repricing Transaction, such Tranche D Term Lender (and not any Person who replaces such Tranche D Term Lender pursuant to Section 11.1(g)) shall receive its pro rata portion (as determined immediately prior to it being so replaced) of the prepayment premium described in the preceding sentence.

(g) If on or prior to June 6, 2018 the Borrower makes an optional prepayment in full of the Tranche E Term Loans pursuant to a Tranche E Term Loan Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Tranche E Term Lender, a prepayment premium of 1.0% of the aggregate principal amount of Tranche E Term Loans being prepaid. If, on or prior June 6, 2018, any Tranche E Term Lender is replaced pursuant to Section 11.1(g) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under Section 11.6(g) to replace the Loans or Commitments under any Facility or Tranche) that results in a Tranche E Term Loan Repricing Transaction, such Tranche E Term Lender (and not any Person who replaces such Tranche E Term Lender pursuant to Section 11.1(g)) shall receive its pro rata portion (as determined immediately prior to it being so replaced) of the prepayment premium described in the preceding sentence.

(h) If on or prior to December 7, 2018 the Borrower makes an optional prepayment in full of the Tranche F Term Loans pursuant to a Tranche F Term Loan Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Tranche F Term Lender, a prepayment premium of 1.0% of the aggregate principal amount of

Tranche F Term Loans being prepaid. If, on or prior to December 7, 2018, any Tranche F Term Lender is replaced pursuant to [Section 11.1\(g\)](#) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under [Section 11.6\(g\)](#) to replace the Loans or Commitments under any Facility or Tranche) that results in a Tranche F Term Loan Repricing Transaction, such Tranche F Term Lender (and not any Person who replaces such Tranche F Term Lender pursuant to [Section 11.1\(g\)](#)) shall receive its pro rata portion (as determined immediately prior to it being so replaced) of the prepayment premium described in the preceding sentence.

(i) If on or prior to July 20, 2021 the Borrower makes an optional prepayment in full of the Tranche G Term Loans pursuant to a Tranche G Term Loan Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Tranche G Term Lender, a prepayment premium of 1.0% of the aggregate principal amount of Tranche G Term Loans being prepaid. If, on or prior to July 20, 2021, any Tranche G Term Lender is replaced pursuant to [Section 11.1\(g\)](#) in connection with any amendment of this Agreement (including in connection with any refinancing transaction permitted under [Section 11.6\(g\)](#) to replace the Loans or Commitments under any Facility or Tranche) that results in a Tranche G Term Loan Repricing Transaction, such Tranche G Term Lender (and not any Person who replaces such Tranche G Term Lender pursuant to [Section 11.1\(g\)](#)) shall receive its pro rata portion (as determined immediately prior to it being so replaced) of the prepayment premium described in the preceding sentence.

(j) [If on or prior to May 1, 2023 the Borrower makes an optional prepayment in full of the Tranche H Term Loans pursuant to a Tranche H Term Loan Repricing Transaction, the Borrower shall pay to the Administrative Agent, for the ratable account of each Tranche H Term Lender, a prepayment premium of 1.0% of the aggregate principal amount of Tranche H Term Loans being prepaid. If, on or prior to May 1, 2023, any Tranche H Term Lender is replaced pursuant to Section 11.1\(g\) in connection with any amendment of this Agreement \(including in connection with any refinancing transaction permitted under Section 11.6\(g\) to replace the Loans or Commitments under any Facility or Tranche\) that results in a Tranche H Term Loan Repricing Transaction, such Tranche H Term Lender \(and not any Person who replaces such Tranche H Term Lender pursuant to Section 11.1\(g\)\) shall receive its pro rata portion \(as determined immediately prior to it being so replaced\) of the prepayment premium described in the preceding sentence.](#)

4.6 [Computation of Interest and Fees.](#) (a) Interest (other than interest based on the Prime Rate) shall be calculated on the basis of a 360-day year for the actual days elapsed; and interest based on the Prime Rate shall be calculated on the basis of a 365 day year (or 366-day year, as the case may be) for the actual days elapsed. The Administrative Agent shall as soon as practicable notify the Borrower and the affected Lenders of each determination of an Adjusted LIBOR Rate [or Term SOFR](#). Any change in the interest rate on a Term Loan resulting from a change in the Alternate Base Rate or the Statutory Reserves shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the affected Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrower or any Lender, deliver to the Borrower or such Lender a statement showing in reasonable detail the calculations used by the Administrative Agent in determining any interest rate pursuant to [Section 4.1](#), excluding any LIBOR Rate which is based upon the Reuters Monitor Money Rates Service page, [any Term SOFR published by the Term SOFR Administrator](#) and any ABR Loan which is based upon the Alternate Base Rate.

#### 4.7 Inability to Determine Interest Rate.

(a) If prior to the first day of any Interest Period, the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrower) that, by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the Adjusted LIBOR Rate with respect to any Eurodollar Loan for such Interest Period (the "[Affected Eurodollar Rate](#)"), the Administrative Agent shall give telecopy or telephonic notice thereof to the Borrower and the Lenders as soon as practicable thereafter. If such notice is given (a) any Eurodollar Loans the rate of interest applicable to which is based on the Affected Eurodollar Rate requested to be made on the first day of such Interest Period shall be made as ABR Loans and (b) any Term Loans that were to have been converted on the first day of such Interest Period to or continued as Eurodollar Loans the rate of interest applicable to which is based upon the Affected Eurodollar Rate shall be converted to or continued as ABR Loans. Until such notice has been withdrawn by the Administrative Agent, no further Eurodollar Loans the rate of interest applicable to which is based upon the Affected Eurodollar Rate shall be made or continued as such, nor shall the Borrower have the right to convert ABR Loans to Eurodollar Loans, the rate of interest applicable to which is based upon the Affected Eurodollar Rate.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, the Administrative Agent and the Borrower may amend this Agreement to replace LIBOR Rate [or the then-current Benchmark](#) with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. Any such amendment with respect to an Early Opt-in Election will become effective on the date that Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders accept such amendment. No replacement of LIBOR Rate [or a Benchmark](#) with a Benchmark Replacement pursuant to this Section will occur prior to the applicable Benchmark Transition Start Date.

(c) In connection with the implementation of a Benchmark Replacement, [\(or, if such Benchmark Replacement is in respect of the Benchmark, the use, administration or adoption of such Benchmark Replacement\)](#), the Administrative Agent, with the consent of the Borrower (not to be unreasonably withheld, delayed or conditioned), will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything

to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(d) The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date and Benchmark Transition Start Date, (ii) the implementation of any Benchmark Replacement (or, if such Benchmark Replacement is in respect of the Benchmark, the use, administration or adoption of such Benchmark Replacement), (iii) the effectiveness of any Benchmark Replacement Conforming Changes and (iv) the commencement or conclusion of any Benchmark Unavailability Period. The Administrative Agent will promptly notify the Borrower of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 4.7(f). Any determination, decision or election that may be made by the Administrative Agent, the Borrower or Lenders pursuant to this Section 4.7, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party hereto, except, in each case, as expressly required pursuant to this Section 4.7.

(e) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Eurodollar Borrowing or SOFR Borrowing of, conversion to or continuation of Eurodollar Loans or SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to ABR Loans. During any Benchmark Unavailability Period, the component of ABR based upon LIBOR Rate or the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR.

(f) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion (in consultation with the Borrower) or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks, then the Administrative Agent may modify, in consultation with the Borrower, the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks for a Benchmark

(including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

4.8 Pro Rata Treatment and Payments. (a) Except as expressly otherwise provided herein, each payment (including each prepayment, but excluding payments made pursuant to Section 2.7, 2.8, 4.5(b), 4.5(c), 4.5(d), 4.5(e), 4.5(f), 4.9, 4.10, 4.11, 4.12, 4.13(d), 4.14, 8.8, 11.1(g) or 11.6) by the Borrower on account of principal of and interest on account of any Term Loans of a given Tranche (other than (w) payments in respect of any difference in the Applicable Margin, Adjusted LIBOR Rate, Term SOFR or Alternate Base Rate in respect of any Tranche, (x) any payments pursuant to Section 4.4(b) to the extent declined by any Lender in accordance with Section 4.4(d) and (y) any payments pursuant to Section 4.4(h) which shall be allocated as set forth in Section 4.4(h)) shall be allocated by the Administrative Agent pro rata according to the respective outstanding principal amounts of such Term Loans of such Tranche then held by the respective Lenders; provided that a Lender may, at its option, and if agreed by the Borrower, exchange such Lender’s portion of a Term Loan to be prepaid for Rollover Indebtedness, in lieu of such Lender’s pro rata portion of such prepayment, pursuant to the last sentence of Section 4.4(c). All payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without set-off or counterclaim and shall be made on or prior to the time expressly required hereunder or under such other Loan Document for such payment (or, if no such time is expressly required, prior to 2:00 P.M., New York City time), on the due date thereof to the Administrative Agent for the account of the Lenders holding the relevant Term Loans, the Lenders, the Administrative Agent, or the Other Representatives, as the case may be, at the Administrative Agent’s office specified in Section 11.2, in Dollars in immediately available funds. Payments received by the Administrative Agent after such time shall be deemed to have been received on the next Business Day. The Administrative Agent shall distribute such payments to such Lenders or Other Representatives, as the case may be, if any such payment is received prior to 2:00 P.M., New York City time, on a Business Day, in like funds as received prior to the end of such Business Day and otherwise the Administrative Agent shall distribute such payment to such Lenders or Other Representatives, as the case may be, on the next succeeding Business Day. If any payment hereunder (other than payments on the Eurodollar Loans or SOFR Loans) becomes due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day, and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension. If any payment on a Eurodollar Loan or SOFR Loan becomes due and payable on a day other than a Business Day, the maturity of such payment shall be extended to the next succeeding Business Day (and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension) unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. This Section 4.8(a) may be amended in accordance with Section 11.1(d) to the extent necessary to reflect differing amounts payable, and priorities of payments, to Lenders participating in any new Tranches added pursuant to Sections 2.6 and 2.8, as applicable.

(b) Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute



its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower in respect of such borrowing a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on, as applicable, the Closing Date, the First Incremental Amendment Effective Date, the First Incremental Amendment Closing Date, the Tranche B Delayed Draw Closing Date, the Third Amendment Closing Date, the Fourth Amendment Closing Date, the Fifth Amendment Closing Date, the Seventh Amendment Closing Date ~~or~~, the Eighth Amendment Closing Date or the Tenth Amendment Closing Date therefor, such Lender shall pay to the Administrative Agent on demand, such amount with interest thereon at a rate equal to the daily average Federal Funds Effective Rate (or, in respect of a SOFR Borrowing, the greater of the foregoing and a rate determined by the Administrative Agent (in consultation with the Borrower) in accordance with banking industry rules on interbank compensation) for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this Section 4.8(b) shall be conclusive in the absence of manifest error.

4.9 Illegality. Notwithstanding any other provision herein, if the adoption of or any change in any Requirement of Law or in the interpretation or application thereof in each case occurring after the ~~Eighth~~Eighth Amendment Closing Date shall make it unlawful for any Lender to make or maintain any Eurodollar Loans or SOFR Loans as contemplated by this Agreement (“Affected Loans”), (a) such Lender shall promptly give written notice of such circumstances to the Borrower and the Administrative Agent (which notice shall be withdrawn whenever such circumstances no longer exist), (b) the commitment of such Lender hereunder to make Affected Loans, continue Affected Loans as such and convert an ABR Loan to an Affected Loan shall forthwith be cancelled and, until such time as it shall no longer be unlawful for such Lender to make or maintain such Affected Loans, such Lender shall then have a commitment only to make an ABR Loan when an Affected Loan is requested, (c) such Lender’s Loans then outstanding as Affected Loans, if any, shall be converted automatically to ABR Loans on the respective last days of the then current Interest Periods with respect to such Affected Loans or within such earlier period as required by law and law and (d) such Lender’s then outstanding Affected Loans, if any, not converted to ABR Loans pursuant to clause (c) of this Subsection 4.9 shall, at the option of the Borrower (i) be prepaid with accrued interest thereon on the last day of the then current Interest Period with respect thereto (or such earlier date as may be required by any such Requirement of Law) or (ii) bear interest at an alternate rate which reflects such Lender’s cost of funding such Loans, as reasonably determined by the Administrative Agent, plus the Applicable Margin hereunder. If any such conversion or prepayment of an Affected Loan occurs on a day which is not the last day of the then current Interest Period with respect thereto, the Borrower shall pay to such Lender such amounts, if any, as may be required pursuant to Section 4.12.

4.10 Requirements of Law. (a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof applicable to any Lender, or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority, in each case made subsequent to the Eighth Amendment Closing Date (or, if later, the date on which such Lender becomes a Lender):

(i) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any office of such Lender which is not otherwise included in the determination of the LIBOR Rate or Term SOFR hereunder (excluding any Tax of any kind whatsoever); or

(ii) shall impose on such Lender any other condition (excluding any Tax of any kind whatsoever);

and the result of any of the foregoing is to increase the cost to such Lender, by an amount which such Lender deems to be material, of making, converting into, continuing or maintaining Eurodollar Loans or SOFR Loans or to reduce any amount receivable hereunder in respect thereof, then, in any such case, upon notice to the Borrower from such Lender, through the Administrative Agent in accordance herewith, the Borrower shall promptly pay such Lender, upon its demand, any additional amounts necessary to compensate such Lender for such increased cost or reduced amount receivable with respect to such Eurodollar Loans or SOFR Loans, as applicable; provided that, in any such case, the Borrower may elect to convert the Eurodollar Loans or SOFR Loans made by such Lender hereunder to ABR Loans by giving the Administrative Agent at least one Business Day's notice of such election, in which case the Borrower shall promptly pay to such Lender, upon demand, without duplication, amounts theretofore required to be paid to such Lender pursuant to this Section 4.10(a) and such amounts, if any, as may be required pursuant to Section 4.12. If any Lender becomes entitled to claim any additional amounts pursuant to this Section 4.10(a), it shall provide prompt notice thereof to the Borrower, through the Administrative Agent, certifying (x) that one of the events described in this clause (a) has occurred and describing in reasonable detail the nature of such event, (y) as to the increased cost or reduced amount resulting from such event and (z) as to the additional amount demanded by such Lender and a reasonably detailed explanation of the calculation thereof (provided, that such request will not in any way require disclosure of confidential or price-sensitive information or any other information the disclosure of which is prohibited by law). Such a certificate as to any additional amounts payable pursuant to this Section 4.10(a), submitted by such Lender, through the Administrative Agent, to the Borrower shall be conclusive in the absence of manifest error. Notwithstanding anything to the contrary in this Section 4.10(a), the Borrower shall not be required to compensate a Lender pursuant to this Section 4.10(a) (i) for any amounts incurred more than six months prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor except that, if the adoption of or change in any Requirement of Law or in the interpretation or application thereof giving rise to such increased costs or reductions is retroactive, then provided such Lender shall, within six months of such adoption, change, interpretation or application, have notified the Borrower of such Lender's intention to claim compensation therefor, the six-month period first referred to in this sentence shall be extended to include the period of retroactive effect therefor or (ii) for any amounts, if such Lender is applying this provision to the Borrower in a manner that is inconsistent with its application of "increased cost" or other similar provisions under other syndicated credit agreements to similarly situated borrowers. This covenant shall survive the termination of this Agreement and the payment of the Term Loans and all other amounts payable hereunder.



(b) If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or liquidity or in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy or liquidity (whether or not having the force of law) from any Governmental Authority, in each case, made subsequent to the Eighth Amendment Closing Date, does or shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of such Lender's obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy or liquidity) by an amount deemed by such Lender to be material, then from time to time, within ten Business Days after submission by such Lender to the Borrower (through the Administrative Agent) of a written request therefor certifying (x) that one of the events described in this clause (b) has occurred and describing in reasonable detail the nature of such event, (y) as to the reduction of the rate of return on capital resulting from such event and (z) as to the additional amount or amounts demanded by such Lender or corporation and a reasonably detailed explanation of the calculation thereof, the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or corporation for such reduction (provided, that such request will not in any way require disclosure of confidential or price-sensitive information or any other information the disclosure of which is prohibited by law). Such a certificate as to any additional amounts payable pursuant to this Section 4.10(b), submitted by such Lender, through the Administrative Agent, to the Borrower shall be conclusive in the absence of manifest error. Notwithstanding anything to the contrary in this Section 4.10(b), the Borrower shall not be required to compensate a Lender pursuant to this Section 4.10(b) (i) for any amounts incurred more than six months prior to the date that such Lender notifies the Borrower of such Lender's intention to claim compensation therefor except that, if the adoption of or change in any Requirement of Law or in the interpretation or application thereof giving rise to such increased costs or reductions is retroactive, then provided such Lender shall, within six months of such adoption, change, interpretation or application, have notified the Borrower of such Lender's intention to claim compensation therefor, the six-month period first referred to in this sentence shall be extended to include the period of retroactive effect therefor or (ii) for any amounts, if such Lender is applying this provision to the Borrower in a manner that is inconsistent with its application of "increased cost" or other similar provisions under other syndicated credit agreements to similarly situated borrowers. This covenant shall survive the termination of this Agreement and the payment of the Term Loans and all other amounts payable hereunder.

(c) Notwithstanding anything herein to the contrary, (i) the Dodd Frank Wall Street Reform and Consumer Protection Act, and all requests, rules, regulations, guidelines and directives promulgated thereunder or issued in connection therewith, and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, in each case, shall be deemed to have been enacted, adopted, promulgated or issued, as applicable, subsequent to the Closing Date for all purposes herein.

4.11 Taxes. (a) Except as provided below in this Section 4.11 or as required by law (which, for purposes of this Section 4.11, shall include FATCA), all payments made by the

Borrower or the Agents under this Agreement and any Notes shall be made free and clear of, and without deduction or withholding for or on account of any Taxes; provided that if any Non-Excluded Taxes are required to be withheld from any amounts payable by the Borrower to any Agent or any Lender hereunder or under any Notes, the amounts so payable by the Borrower shall be increased to the extent necessary to yield to such Agent or such Lender (after payment of all Non-Excluded Taxes) interest or any such other amounts payable hereunder at the rates or in the amounts specified in this Agreement; provided, however, that the Borrower shall be entitled to deduct and withhold, and the Borrower shall not be required to indemnify for, any Non-Excluded Taxes, and any such amounts payable by the Borrower to or for the account of any Agent or Lender shall not be increased (x) if such Agent or Lender fails to comply with the requirements of clause (b), (c) or (d) of this Section 4.11 or with the requirements of Section 4.13, or (y) with respect to any Non-Excluded Taxes imposed in connection with the payment of any fees paid under this Agreement unless such Non-Excluded Taxes are imposed as a result of a Change in Law, or (z) with respect to any Non-Excluded Taxes imposed by the United States or any state or political subdivision thereof, unless such Non-Excluded Taxes are imposed as a result of a change in treaty, law or regulation that occurred after the later of (i) the date that such Agent became an Agent hereunder or such Lender became a Lender hereunder (or, if such Agent or Lender is a non-U.S. intermediary or flow-through entity for U.S. federal income tax purposes, after the relevant beneficiary or member of such Agent or Lender became such a beneficiary or member, if later), (ii) the First Incremental Amendment Effective Date, (iii) the Third Amendment Closing Date, (iv) the Fourth Amendment Closing Date, (v) the Fifth Amendment Closing Date, (vi) the Seventh Amendment Closing Date ~~and~~, (vii) the Eighth Amendment Closing Date and (viii) the Tenth Amendment Closing Date (any such change, at such time, a “Change in Law”). Whenever any Non-Excluded Taxes are payable by the Borrower, as promptly as possible thereafter the Borrower shall send to the Administrative Agent for its own account or for the account of the respective Lender or Agent, as the case may be, a certified copy of an original official receipt received by the Borrower showing payment thereof. If the Borrower fails to pay any Non-Excluded Taxes when due to the appropriate Governmental Authority in accordance with applicable law or fails to remit to the Administrative Agent the required receipts or other required documentary evidence, the Borrower shall indemnify the Administrative Agent, the Lenders and the Agents for any incremental Taxes, interest or penalties that may become payable by the Administrative Agent or any Lender as a result of any such failure. The agreements in this Section 4.11 shall survive the termination of this Agreement and the payment of the Term Loans and all other amounts payable hereunder.

(b) Each Agent and each Lender that is not a United States Person shall:

(i) (1) on or before the date of any payment by the Borrower under this Agreement or any Notes to, or for the account of, such Agent or Lender, deliver to the Borrower and the Administrative Agent (A) two accurate and complete original signed Internal Revenue Service Forms W-8BEN or Forms W-8BEN-E, as appropriate (certifying that it is a resident of the applicable country within the meaning of the income tax treaty between the United States and that country) or Forms W-8ECI, or successor applicable form, as the case may be, in each case certifying that it is entitled to receive all payments under this Agreement and any Notes without deduction or withholding of any United States federal income taxes, and (B) such other forms, documentation or certifications, as the case may be, certifying that it is entitled to an exemption from

United States backup withholding tax with respect to payments under this Agreement and any Notes;

(2) deliver to the Borrower and the Administrative Agent two further original signed forms or certifications provided in Section 4.11(b)(i)(1) on or before the date that any such form or certification expires or becomes obsolete and after the occurrence of any event requiring a change in the most recent form or certificate previously delivered by it to the Borrower;

(3) obtain such extensions of time for filing and completing such forms or certifications as may reasonably be requested by the Borrower or the Administrative Agent; and

(4) deliver, to the extent legally entitled to do so, upon reasonable request by the Borrower, to the Borrower and the Administrative Agent such other forms as may be reasonably required in order to establish the legal entitlement of such Lender to an exemption from, or reduction of, withholding with respect to payments under this Agreement and any Notes, provided that, in determining the reasonableness of a request under this clause (4), such Lender shall be entitled to consider the cost (to the extent unreimbursed by any Loan Party) which would be imposed on such Lender of complying with such request; or

(ii) in the case of any such Lender that is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code and is claiming the so-called “portfolio interest exemption”,

(1) represent to the Borrower and the Administrative Agent that it is not (A) a bank within the meaning of Section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code;

(2) deliver to the Borrower on or before the date of any payment by the Borrower with a copy to the Administrative Agent, (A) two certificates substantially in the form of Exhibit D hereto (any such certificate a “U.S. Tax Compliance Certificate”) and (B) two accurate and complete original signed Internal Revenue Service Forms W-8BEN or Forms W-8BEN-E, as appropriate, or successor applicable form, certifying to such Lender’s legal entitlement at the date of such form to an exemption from U.S. withholding tax under the provisions of Section 871(h) or Section 881(c) of the Code with respect to payments to be made under this Agreement and any Notes and (C) such other forms, documentation or certifications, as the case may be, certifying that it is entitled to an exemption from United States backup withholding tax with respect to payments under this Agreement and any Notes (and shall also deliver to the Borrower and the Administrative Agent two further original signed forms or certificates on or before the date the previous forms or certificates expire or

become obsolete and after the occurrence of any event requiring a change in the most recently provided forms or certificates and, if necessary, obtain any extensions of time reasonably requested by the Borrower or the Administrative Agent for filing and completing such forms or certificates); and

(3) deliver, to the extent legally entitled to do so, upon reasonable request by the Borrower, to the Borrower and the Administrative Agent such other forms as may be reasonably required in order to establish the legal entitlement of such Lender to an exemption from, or reduction of, withholding with respect to payments under this Agreement and any Notes, provided that, in determining the reasonableness of a request under this clause (3), such Lender shall be entitled to consider the cost (to the extent unreimbursed by the Borrower) which would be imposed on such Lender of complying with such request; or

(iii) in the case of any such Agent or Lender that is a non-U.S. intermediary or flow-through entity for U.S. federal income tax purposes,

(1) on or before the date of any payment by the Borrower under this Agreement or any Notes to, or for the account of, such Agent or Lender, deliver to the Borrower and the Administrative Agent two accurate and complete original signed Internal Revenue Service Forms W-8IMY and, if any beneficiary or member of such Lender is claiming the so-called “portfolio interest exemption”, (I) represent to the Borrower and the Administrative Agent that such Lender is not (A) a bank within the meaning of Section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code, and (II) also deliver to the Borrower and the Administrative Agent two U.S. Tax Compliance Certificates certifying to such Lender’s legal entitlement at the date of such certificate to an exemption from U.S. withholding tax under the provisions of Section 881(c) of the Code with respect to payments to be made under this Agreement and any Notes; and

(A) with respect to each beneficiary or member of such Agent or Lender that is not claiming the so-called “portfolio interest exemption”, also deliver to the Borrower and the Administrative Agent (I) two copies of such beneficiary’s or member’s accurate and complete original signed Internal Revenue Service Form W-8BEN or Form W-8BEN-E, as appropriate (certifying that such beneficiary or member is a resident of the applicable country within the meaning of the income tax treaty between the United States and that country), Form W-8ECI or Form W-9, or successor applicable form, as the case may be, in each case so that each such beneficiary or member is entitled to receive all payments under this Agreement and any Notes without deduction or withholding of any United States federal income taxes and (II) such other forms, documentation or certifications, as the case may be, certifying that each such beneficiary or member is entitled to an exemption from United States backup withholding tax with respect to all payments under this Agreement and any Notes; and

(B) with respect to each beneficiary or member of such Lender that is claiming the so-called “portfolio interest exemption”, (I) represent to the Borrower and the Administrative Agent that such beneficiary or member is not (1) a bank within the meaning of Section 881(c)(3)(A) of the Code, (2) a “10 percent shareholder” of the Borrower within the

meaning of Section 881(c)(3)(B) of the Code, or (3) a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code, and (II) also deliver to the Borrower and the Administrative Agent two U.S. Tax Compliance Certificates with respect to each beneficiary or member (which may be provided by such Lender on behalf of such beneficiary or member) and two copies of such beneficiary’s or member’s accurate and complete original signed Internal Revenue Service Form W-8BEN or Form W-8BEN-E, as appropriate, or successor applicable form, certifying to such beneficiary’s or member’s legal entitlement at the date of such certificate to an exemption from U.S. withholding tax under the provisions of Section 871(h) or Section 881(c) of the Code with respect to payments to be made under this Agreement and any Notes, and (III) also deliver to the Borrower and the Administrative Agent such other forms, documentation or certifications, as the case may be, certifying that it is entitled to an exemption from United States backup withholding tax with respect to payments under this Agreement and any Notes;

(2) deliver to the Borrower and the Administrative Agent two further signed copies or originals (as applicable) of any forms, certificates or certifications referred to above on or before the date any such form, certificate or certification expires or becomes obsolete, or any beneficiary or member changes, and after the occurrence of any event requiring a change in the most recently provided form, certificate or certification and obtain such extensions of time reasonably requested by the Borrower or the Administrative Agent for filing and completing such forms, certificates or certifications; and

(3) deliver, to the extent legally entitled to do so, upon reasonable request by the Borrower, to the Borrower and the Administrative Agent such other forms as may be reasonably required in order to establish the legal entitlement of such Agent or Lender (or beneficiary or member) to an exemption from, or reduction of, withholding with respect to payments under this Agreement and any Notes, provided that in determining the reasonableness of a request under this clause (3) such Agent or Lender shall be entitled to consider the cost (to the extent unreimbursed by the Borrower) which would be imposed on such Agent or Lender (or beneficiary or member) of complying with such request;

unless, in any such case, there has been a Change in Law which renders all such forms inapplicable or which would prevent such Agent or such Lender (or such beneficiary or member)

from duly completing and delivering any such form with respect to it and such Agent or such Lender so advises the Borrower and the Administrative Agent.

(c) Each Lender and each Agent, in each case that is a United States Person, shall, on or before the date of any payment by the Borrower under this Agreement or any Notes to such Lender or Agent, deliver to the Borrower and the Administrative Agent two accurate and complete original signed Internal Revenue Service Forms W-9, or successor form, certifying that such Lender or Agent is a United States Person and that such Lender or Agent is entitled to complete exemption from United States backup withholding tax.

(d) Notwithstanding the foregoing, if the Administrative Agent is not a United States Person, on or before the date of any payment by the Borrower under this Agreement or any Notes to the Administrative Agent, the Administrative Agent shall:

(i) deliver to the Borrower (A) two accurate and complete original signed Internal Revenue Service Forms W-8ECI, or successor applicable form, with respect to any amounts payable to the Administrative Agent for its own account, (B) two accurate and complete original signed Internal Revenue Service Forms W-8IMY, or successor applicable form, with respect to any amounts payable to the Administrative Agent for the account of others, certifying that it is a "U.S. branch" and that the payments it receives for the account of others are not effectively connected with the conduct of its trade or business in the United States and that it is using such form as evidence of its agreement with the Borrower to be treated as a U.S. person with respect to such payments (and the Borrower and the Administrative Agent agree to so treat the Administrative Agent as a U.S. person with respect to such payments as contemplated by U.S. Treasury Regulation § 1.1441-1(b)(2)(iv)) or (C) such other forms or certifications as may be sufficient under applicable law to establish that the Administrative Agent is entitled to receive any payment by the Borrower under this Agreement or any Notes (whether for its own account or for the account of others) without deduction or withholding of any United States federal income taxes;

(ii) deliver to the Borrower two further original signed forms or certifications provided in Section 4.11(d)(i) on or before the date that any such form or certification expires or becomes obsolete and after the occurrence of any event requiring a change in the most recent form or certificate previously delivered by it to the Borrower; and

(iii) obtain such extensions of time for filing and completing such forms or certifications as may reasonably be requested by the Borrower or the Administrative Agent.

(e) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA, such Lender shall deliver to the Administrative Agent and the Borrower, at the time or times prescribed by law and at such time or times reasonably requested by the Administrative Agent or the Borrower, such documentation prescribed by applicable law and such additional documentation reasonably requested by the Administrative Agent or the Borrower as may be necessary for the Administrative Agent and the

Borrower to comply with their respective obligations (including any applicable reporting requirements) under FATCA, to determine whether such Lender has complied with such Lender's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. For the avoidance of doubt, the Borrower and the Administrative Agent shall be permitted to withhold any Taxes imposed by FATCA.

4.12 Indemnity. The Borrower agrees to indemnify each Lender in respect of Extensions of Credit made, or requested to be made, to the Borrower, and to hold each such Lender harmless from any loss or expense which such Lender may sustain or incur (other than through such Lender's gross negligence, bad faith or willful misconduct as determined by a court of competent jurisdiction in a final and nonappealable decision) as a consequence of (a) default by the Borrower in making a borrowing of, conversion into or continuation of Eurodollar Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (b) default by the Borrower in making any prepayment or conversion of Eurodollar Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement, (c) the making of a payment or prepayment of Eurodollar Loans or the conversion of Eurodollar Loans on a day which is not the last day of an Interest Period with respect thereto or (d) the revocation of a redemption notice in respect of Eurodollar Loans delivered by the Borrower in accordance with the provisions of Section 4.4(a). Such indemnification, in the case of Eurodollar Loans may include an amount equal to the excess, if any, of (i) the amount of interest which would have accrued on the amount so prepaid, or converted, or not so borrowed, converted or continued, for the period from the date of such prepayment or conversion or of such failure to borrow, convert or continue to the last day of the applicable Interest Period (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Eurodollar Loans provided for herein (excluding, however, the Applicable Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) which would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the interbank Eurodollar market. If any Lender becomes entitled to claim any amounts under the indemnity contained in this Section 4.12, it shall provide prompt notice thereof to the Borrower, through the Administrative Agent, certifying (x) that one of the events described in clause (a), (b), (c) or (d) has occurred and describing in reasonable detail the nature of such event, (y) as to the loss or expense sustained or incurred by such Lender as a consequence thereof and (z) as to the amount for which such Lender seeks indemnification hereunder and a reasonably detailed explanation of the calculation thereof. Such a certificate as to any indemnification pursuant to this Section 4.12 submitted by such Lender, through the Administrative Agent, to the Borrower shall be conclusive in the absence of manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within five Business Days after receipt thereof. This covenant shall survive the termination of this Agreement and the payment of the Term Loans and all other amounts payable hereunder.

4.13 Certain Rules Relating to the Payment of Additional Amounts. (a) Upon the request, and at the expense of the Borrower, each Lender and Agent to which the Borrower is required to pay any additional amount pursuant to Section 4.11, and any Participant in respect of whose participation such payment is required, shall reasonably afford the Borrower the opportunity to contest, and reasonably cooperate with the Borrower in contesting, the imposition



of any Non-Excluded Tax giving rise to such payment; provided that (i) such Lender or Agent shall not be required to afford the Borrower the opportunity to so contest unless the Borrower shall have confirmed in writing to such Lender or Agent its obligation to pay such amounts pursuant to this Agreement and (ii) the Borrower shall reimburse such Lender or Agent for its reasonable attorneys' and accountants' fees and disbursements incurred in so cooperating with the Borrower in contesting the imposition of such Non-Excluded Tax; provided, however, that notwithstanding the foregoing no Lender or Agent shall be required to afford the Borrower the opportunity to contest, or cooperate with the Borrower in contesting, the imposition of any Non-Excluded Taxes, if such Lender or Agent in its sole discretion in good faith determines that to do so would have an adverse effect on it.

(b) If a Lender changes its applicable lending office (other than (i) pursuant to clause (c) below or (ii) after an Event of Default under Section 9.1(a) or (f) has occurred and is continuing) and the effect of such change, as of the date of such change, would be to cause the Borrower to become obligated to pay any additional amount under Section 4.10 or 4.11, the Borrower shall not be obligated to pay such additional amount.

(c) If a condition or an event occurs which would, or would upon the passage of time or giving of notice, result in the payment of any additional amount to any Lender or Agent by the Borrower pursuant to Section 4.10 or 4.11 or result in Affected Loans or commitments to make Affected Loans being automatically converted to ABR Loans or commitments to make ABR Loans, as the case may be, pursuant to Section 4.9, such Lender or Agent shall promptly notify the Borrower and the Administrative Agent and shall take such steps as may reasonably be available to it to mitigate the effects of such condition or event (which shall include efforts to rebook the Term Loans held by such Lender at another lending office, or through another branch or an affiliate, of such Lender); provided that such Lender or Agent shall not be required to take any step that, in its reasonable judgment, would be materially disadvantageous to its business or operations or would require it to incur additional costs (unless the Borrower agrees to reimburse such Lender or Agent for the reasonable incremental out-of-pocket costs thereof).

(d) If the Borrower shall become obligated to pay additional amounts pursuant to Section 4.10 or 4.11 and any affected Lender shall not have promptly taken steps necessary to avoid the need for payments under Section 4.10 or 4.11 or if Affected Loans or commitments to make Affected Loans are automatically converted to ABR Loans or commitments to make ABR Loans, as the case may be, under Section 4.9 and any affected Lender shall not have promptly taken steps necessary to avoid the need for such conversion under Section 4.9, the Borrower shall have the right, for so long as such obligation remains, (i) with the assistance of the Administrative Agent to seek one or more substitute Lenders reasonably satisfactory to the Administrative Agent and the Borrower to purchase the affected Term Loan, in whole or in part, at an aggregate price no less than such Term Loan's principal amount plus accrued interest, and assume the affected obligations under this Agreement, or (ii) so long as no Event of Default under Section 9.1(a) or (f) then exists or will exist immediately after giving effect to the respective prepayment, upon notice to the Administrative Agent to prepay the affected Term Loan, in whole or in part, subject to Section 4.12, without premium or penalty. In the case of the substitution of a Lender, then, the Borrower, the Administrative Agent, the affected Lender, and any substitute Lender shall execute and deliver an appropriately completed Assignment and



Acceptance pursuant to Section 11.6(b) to effect the assignment of rights to, and the assumption of obligations by, the substitute Lender; provided that any fees required to be paid by Section 11.6(b) in connection with such assignment shall be paid by the Borrower or the substitute Lender. In the case of a prepayment of an affected Term Loan, the amount specified in the notice shall be due and payable on the date specified therein, together with any accrued interest to such date on the amount prepaid. In the case of each of the substitution of a Lender and of the prepayment of an affected Term Loan, the Borrower shall first pay the affected Lender any additional amounts owing under Sections 4.10 and 4.11 (as well as any commitment fees and other amounts then due and owing to such Lender, including any amounts under this Section 4.13) prior to such substitution or prepayment. In the case of the substitution of a Lender pursuant to this Section 4.13(d), if the Lender being replaced does not execute and deliver to the Administrative Agent a duly completed Assignment and Acceptance and/or any other documentation necessary to reflect such replacement by the later of (a) the date on which the assignee Lender executes and delivers such Assignment and Acceptance and/or such other documentation and (b) the date as of which all obligations of the Borrower owing to such replaced Lender relating to the Term Loans and participations so assigned shall be paid in full by the assignee Lender and/or the Borrower to such Lender being replaced, then the Lender being replaced shall be deemed to have executed and delivered such Assignment and Acceptance and/or such other documentation as of such date and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Acceptance and/or such other documentation on behalf of such Lender.

(e) If any Agent or any Lender receives a refund directly attributable to Taxes for which the Borrower has made additional payments pursuant to Section 4.11(a), such Agent or such Lender, as the case may be, shall promptly pay such refund (together with any interest with respect thereto received from the relevant taxing authority, but net of any reasonable cost incurred in connection therewith) to the Borrower; provided, however, that the Borrower agrees promptly to return such refund (together with any interest with respect thereto due to the relevant taxing authority) (free of all Non-Excluded Taxes) to such Agent or the applicable Lender, as the case may be, upon receipt of a notice that such refund is required to be repaid to the relevant taxing authority.

(f) The obligations of any Agent, Lender or Participant under this Section 4.13 shall survive the termination of this Agreement and the payment of the Term Loans and all amounts payable hereunder.

4.14 Defaulting Lenders. Notwithstanding anything contained in this Agreement to the contrary, if any Tranche B Term Lender, Tranche C Term Lender, Tranche D Term Lender, Tranche E Term Lender, Tranche F Term Lender or Tranche G Term Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Tranche B Term Lender, Tranche C Term Lender, Tranche D Term Lender, Tranche E Term Lender, Tranche F Term Lender or Tranche G Term Lender, as applicable, is a Defaulting Lender:

(a) the Borrower shall have the right, at its sole expense and effort to seek one or more Persons reasonably satisfactory to the Administrative Agent and the Borrower to each become a substitute Tranche B Term Lender, Tranche C Term Lender, Tranche D Term Lender,

Tranche E Term Lender, Tranche F Term Lender~~or~~, Tranche G Term Lender or Tranche H Term Lender, as applicable, and assume all or part of the Tranche B Term Loan Commitment, Tranche C Term Loan Commitment, Tranche D Term Loan Commitment, Tranche E Term Loan Commitment, Tranche F Term Loan Commitment~~or~~, Tranche G Term Loan Commitment or Tranche H Term Loan Commitment, as applicable, of any such Defaulting Lender and the Borrower, the Administrative Agent and any such substitute Tranche B Term Lender, Tranche C Term Lender, Tranche D Term Lender, Tranche E Term Lender, Tranche F Term Lender~~or~~, Tranche G Term Lender or Tranche H Term Lender, as applicable, shall execute and deliver, and such Defaulting Lender shall thereupon be deemed to have executed and delivered, an appropriately completed Assignment and Acceptance to effect such substitution; and

(b) any amount payable to such Defaulting Lender hereunder (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 11.7) may, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated non-interest bearing account and, subject to any applicable Requirement of Law, be applied at such time or times as may be determined by the Administrative Agent (i) first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder, (ii) second, to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent, (iii) third, if so determined by the Administrative Agent and the Borrower, held in such account as cash collateral for future funding obligations of the Defaulting Lender under this Agreement, (iv) fourth, pro rata, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement and (v) fifth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction.

The rights and remedies against a Defaulting Lender under this Section 4.14 are in addition to other rights and remedies that the Borrower may have against such Defaulting Lender. The arrangements permitted or required by this Section 4.14 shall be permitted under this Agreement, notwithstanding any limitation on Liens or the pro rata sharing provisions or otherwise.

## SECTION 5

### Representations and Warranties

To induce the Administrative Agent and each Lender to make the Extensions of Credit requested to be made by it on the Closing Date, the Borrower with respect to itself and its Restricted Subsidiaries, hereby represents and warrants, on the Closing Date, in each case after giving effect to the Transactions, to the Administrative Agent and the Lenders that:

5.1 Existence, Qualification and Power; Compliance with Laws. Each Loan Party (a) is a Person (i) duly organized or formed and validly existing and (ii) in good standing (to the extent such concept has a legally recognized meaning in its jurisdiction of organization) under the Laws of the jurisdiction of its organization, (b) has all requisite corporate or other

organizational power and authority to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, (c) is duly qualified and in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, (d) is in compliance with all applicable Laws and (e) has all requisite governmental licenses, authorizations, consents and approvals to operate its business as currently conducted; except in each case referred to in clause (a)(i) (other than as to the Borrower and any Material Subsidiary that is a Loan Party), clause (a)(ii) (other than as to the Borrower) or clauses (b)(i), (c), (d) or (e), to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect.

5.2 Authorization; No Contravention. (a) The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is a party, and the consummation of the Transactions, (i) are within such Loan Party's corporate or other powers and have been duly authorized by all necessary corporate or other organizational action and (ii) do not and will not (A) contravene the terms of any of such Person's Organization Documents; (B) conflict with or result in any breach or contravention of, or require any payment to be made under (in each case other than in respect of Indebtedness to be repaid in connection with the Transactions), (x) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Restricted Subsidiaries or (y) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (C) violate any Law; except, in the case of clauses (ii)(A) (other than as to the Borrower), (ii)(B) and (ii)(C) to the extent that such conflict, breach, contravention or payment would not reasonably be expected to have a Material Adverse Effect and (b) the execution, delivery and performance by each Loan Party of each Loan Document to which such Person is a party, and the consummation of the Transactions do not or will not result in the creation of any Lien under any Contractual Obligation to which such Person is a party or by which such Person or the properties of such Person or any of its Restricted Subsidiaries is bound (other than as permitted by Section 8.5).

5.3 Governmental Authorization; Other Consents. No material approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, or for the consummation of the Transactions, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Security Documents, (c) the perfection or maintenance of the Liens created under the Security Documents (including the priority thereof) or (d) the exercise by the Collateral Agent, Administrative Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Security Documents, except for (i) actions, filings and registrations necessary to perfect the Liens on the Collateral and the priority thereof granted by the Loan Parties in favor of the Secured Parties, (ii) the approvals, consents, exemptions, authorizations, actions, notices and filings which have been duly obtained, taken, given or made and are in full force and effect and (iii) those approvals, consents, exemptions, authorizations or other actions, notices or filings, the failure of which to obtain, take, give or make would not reasonably be expected to have a Material Adverse Effect.

5.4 Binding Effect. This Agreement and each other Loan Document has been duly executed and delivered by Holdings and each Loan Party that is a party thereto. This Agreement and each other Loan Document constitutes a legal, valid and binding obligation of Holdings and such Loan Party, enforceable against Holdings and each Loan Party that is party thereto in accordance with its terms, in each case except as such enforceability may be limited by applicable domestic or foreign bankruptcy, insolvency, reorganization, receivership, moratorium or other Laws affecting creditors' rights generally and by general principles of equity.

5.5 Financial Statements; No Material Adverse Effect.

(a) The Audited Financial Statements fairly present in all material respects the financial condition of the Borrower and its consolidated Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein.

(b) Since the Closing Date, there has been no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect on the business, operations, assets, liabilities (actual or contingent) or condition (financial or otherwise) of the Borrower and its Subsidiaries, taken as a whole.

5.6 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower, threatened in writing, at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or any of its Restricted Subsidiaries or against any of their properties or revenues (i) as of the Eighth Amendment Closing Date, that pertain to this Agreement, any other Loan Document or the consummation of the Transactions or (ii) that would reasonably be expected to have a Material Adverse Effect.

5.7 No Default. Neither the Borrower nor any Restricted Subsidiary is in default under or with respect to any Contractual Obligation that would, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.8 Ownership of Property; Liens. Each of the Borrower and its Restricted Subsidiaries has good title in fee simple to, or valid leasehold interests in, or easements or other limited property interests in, all real property necessary in the ordinary conduct of its business, free and clear of all Liens except for minor defects in title that do not materially interfere with its ability to conduct its business or to utilize such assets for their intended purposes and Liens permitted by Section 8.5 and except where the failure to have such title or other interests would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

5.9 Environmental Compliance.

(a) There are no claims against the Borrower or its Restricted Subsidiaries alleging potential liability or responsibility for violation of any Environmental Law binding on their respective businesses, operations and properties that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Except as would not reasonably be expected to have a Material Adverse Effect, (i) none of the properties currently or formerly owned or operated by the Borrower or any of its Restricted Subsidiaries is listed or proposed for listing on the NPL or on the CERCLIS or any analogous foreign, state or local list or is adjacent to any such property; (ii) there are no underground or aboveground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned or operated by the Borrower or any of its Restricted Subsidiaries, or on any property formerly owned or operated by the Borrower or any of its Restricted Subsidiaries requiring investigation, remediation, mitigation, removal, or assessment, or other response, remedial or corrective action, pursuant to Environmental Law; (iii) there is no asbestos or asbestos-containing material on any property currently owned or operated by the Borrower or any of its Restricted Subsidiaries; and (iv) Hazardous Materials have not been released, discharged or disposed of on any property currently or formerly owned or operated by the Borrower or any of its Restricted Subsidiaries except for such releases, discharges or disposal that were in material compliance with Environmental Laws.

(c) The properties currently or formerly owned or leased by the Borrower or its Restricted Subsidiaries do not contain any Hazardous Materials in amounts or concentrations which (i) constitute a violation of, (ii) require remedial action under, or (iii) would reasonably be expected to give rise to liability under, Environmental Laws, except for violations, remedial actions and liabilities that, in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(d) Neither the Borrower nor any of its Restricted Subsidiaries is undertaking, and has not completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened release, discharge or disposal of Hazardous Materials at any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law except for such investigation or assessment or remedial or response action that, in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(e) All Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or, to the knowledge of the Borrower, formerly owned or operated by the Borrower or any of its Restricted Subsidiaries have been disposed of in a manner not reasonably expected to result in a Material Adverse Effect.

5.10 Taxes. The Borrower and its Restricted Subsidiaries have filed all Federal and material state and other tax returns and reports required to be filed, and have paid all Federal and material state and other taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets or otherwise due and payable by them, except those (a) which are not overdue by more than 30 days or (b) which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP or (c) with respect to which the failure to make such filing or payment would not reasonably be expected to have a Material Adverse Effect.

### 5.11 ERISA Compliance.

(a) Each Plan is in compliance with the applicable provisions of ERISA, the Code and other Federal or state Laws, except as would not reasonably be expected to result in a Material Adverse Effect. Each Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination letter from the IRS or an application for such a letter will be submitted to the IRS within the applicable required time period with respect thereto and, to the knowledge of the Borrower, nothing has occurred which would prevent, or cause the loss of, such qualification, except as would not reasonably be expected to result in a Material Adverse Effect. Each Loan Party and each ERISA Affiliate have made all required contributions to each Plan subject to Section 412 of the Code, and no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Code has been made with respect to any Plan, except as would not reasonably be expected to result in a Material Adverse Effect.

(b) There are no pending or, to the knowledge of the Borrower, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that would reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or would reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event or Foreign Benefit Event has occurred or, to the knowledge of the Borrower, is reasonably expected to occur; (ii) no Pension Plan is in “at-risk status” (as defined in Section 303(i)(4) of ERISA) and no application for a waiver of the minimum funding standard has been filed with respect to any Pension Plan; (iii) neither the Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Pension Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (iv) neither the Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Sections 4201 or 4243 of ERISA with respect to a Multiemployer Plan; and (v) neither the Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Sections 4069 or 4212(c) of ERISA, except, with respect to each of the foregoing clauses of this Section 5.11(c), as would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

5.12 Subsidiaries; Equity Interests. As of the Eighth Amendment Closing Date, no Loan Party has any Restricted Subsidiaries other than those disclosed in Schedule 5.12, and all of the outstanding Equity Interests in such Restricted Subsidiaries that are owned by a Loan Party are owned free and clear of all Liens except for Permitted Liens. As of the Eighth Amendment Closing Date, Schedule 5.12 (a) sets forth the name and jurisdiction of each Restricted Subsidiary, (b) sets forth the ownership interest of the Borrower and any other Restricted Subsidiary in each Restricted Subsidiary, including the percentage of such ownership and (c) identifies each Restricted Subsidiary that is a Restricted Subsidiary the Equity Interests of which are required to be pledged hereunder or under the Security Documents.

5.13 Margin Regulations; Investment Company Act.

(a) The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board), or extending credit for the purpose of purchasing or carrying margin stock and no proceeds of any Borrowings will be used by the Borrower to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock.

(b) Neither the Borrower nor any other Loan Party is or is required to be registered as an “investment company” under the Investment Company Act.

5.14 Anti-Terrorism Law. Except to the extent it would not reasonably be expected to have a Material Adverse Effect, to the extent applicable, each Loan Party is in compliance with the (a) Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto and (b) the Patriot Act.

5.15 Sanctioned Persons. None of the Borrower or any Restricted Subsidiary nor, to the knowledge of the Borrower, any director, officer or employee of the Borrower or any Restricted Subsidiary is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (“OFAC”); and the Borrower will not directly, or to its knowledge, indirectly use the proceeds of the Initial Term Loans, Tranche B Term Loans, Tranche C Term Loans, Tranche D Term Loans, Tranche E Term Loans, Tranche F Term Loans-~~of~~, Tranche G Term Loans or Tranche H Term Loans for the purpose of financing the activities of any Person currently subject to any U.S. sanctions administered by OFAC.

5.16 Foreign Corrupt Practices Act. Except to the extent it would not reasonably be expected to have a Material Adverse Effect, the Borrower has, and to the knowledge of the Borrower each of its directors, officers, agents, employees, and any person acting for or on behalf of the Borrower has, complied with, and will comply with, the U.S. Foreign Corrupt Practices Act, as amended from time to time, or any other applicable antibribery or anticorruption law; and except to the extent it would not reasonably be expected to have a Material Adverse Effect, the Borrower has not, and to the knowledge of the Borrower none of its directors, officers, agents, employees, and any person acting for or on behalf of the Borrower, its directors, officers, agents or employees have, made, offered, promised, or authorized, and the Borrower will not, and will use its commercially reasonable efforts to cause each of its directors, officers, agents, employees, and any person acting for or on its behalf to not, make, offer, promise, or authorize, whether directly or indirectly, any payment, of anything of value to: (i) an executive, official, employee or agent of a governmental department, agency or instrumentality, (ii) a director, officer, employee or agent of a wholly or partially government-owned or -controlled company or business, (iii) a political party or official thereof, or candidate for political office or (iv) an executive, official, employee or agent of a public international organization (e.g., the International Monetary Fund or the World Bank) (“Government Official”); in each case while knowing or having a reasonable belief that all or some portion will be used for the purpose of: (a) influencing any act, decision or failure to act by a Government



Official in his or her official capacity, (b) inducing a Government Official to use his or her influence with a government or instrumentality to affect any act or decision of such government or entity, or (c) securing an improper advantage; in each case in order to obtain, retain, or direct business.

5.17 Labor Matters. As of the Eighth Amendment Closing Date, (a) there are no strikes, lockouts or slowdowns against the Borrower or any Restricted Subsidiary pending or, to the knowledge of the Borrower, threatened; (b) the hours worked by and payments made to employees of the Borrower and the Restricted Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Federal, state, local or foreign law dealing with such matters; (c) all payments due from the Borrower or any Restricted Subsidiary on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability (if required in accordance with GAAP) on the books of the Borrower or such Restricted Subsidiary; and (d) the consummation of the Transactions will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which the Borrower or any Restricted Subsidiary is bound, except, with respect to each of clauses (a) through (d), as would not reasonably be expected to result in a Material Adverse Effect.

5.18 Disclosure. No report, financial statement, certificate or other written information furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or any other Loan Document (as modified or supplemented by other information so furnished), in each case on or prior to the Eighth Amendment Closing Date, when taken as a whole, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading; provided that, (A) with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed by it to be reasonable at the time of preparation, it being understood that projections are as to future events and are not to be viewed as facts, that such projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Borrower and its Subsidiaries, that no assurance can be given that any particular projection will be realized and that actual results during the period or periods covered by any such projections may differ significantly from the projected results and such differences may be material and that such projections are not a guarantee of future financial performance and (B) that no representation is made with respect to information of a general economic or general industry nature.

5.19 Intellectual Property; Licenses, Etc. Each Loan Party and its Restricted Subsidiaries own or possess the right to use all of the trademarks, service marks, trade names, logos, trade dress, goodwill associated with the foregoing, domain names, copyrights, patents, trade secrets, know-how and other intellectual property rights (including all registrations and applications for registration of the foregoing) (collectively, "IP Rights") that are necessary for the operation of their respective businesses, except to the extent that the failure to so own or possess the right to use such IP Rights, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. To the knowledge of the Borrower, the conduct of the business of each Loan Party and its Restricted Subsidiaries does not infringe,



misappropriate or otherwise violate any IP Rights of any other Person except for such infringements, misappropriations or violations, which, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. There is no claim, investigation, suit or proceeding pending or, to the knowledge of the Borrower, threatened in writing, against any Loan Party or any of its Restricted Subsidiaries (i) challenging the validity, ownership or use of any IP Rights of such Loan Party or any of its Restricted Subsidiaries or (ii) alleging that the conduct of their respective businesses infringes, misappropriates, or otherwise violates the IP Rights of any other Person, in each case which, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

5.20 Solvency. On the Eighth Amendment Closing Date after giving effect to the Transactions and the other transactions contemplated hereby, the Borrower and its Subsidiaries, on a consolidated basis, are Solvent.

5.21 Senior Debt Status. The Loans will be treated as senior debt under the relevant documentation for any Subordinated Indebtedness of the Borrower or any Guarantor.

5.22 Valid Liens. Each Security Document (other than the Mortgages) is, or on execution and delivery thereof by the parties thereto will be, effective to create (to the extent described therein) in favor of the Collateral Agent for the benefit of the Secured Parties, legal, valid and enforceable Liens on, or security interests in, the Collateral described therein to the extent required by the terms thereof, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other Laws affecting creditors' rights generally and by general principles of equity. (a) When financing statements and other filings in appropriate form are filed in the offices of the Secretary of State of each Loan Party's jurisdiction of organization or formation and applicable documents are filed and recorded in the United States Copyright Office and the United States Patent and Trademark Office, and (b) upon the taking of possession or control by the Collateral Agent of such Collateral with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to the Collateral Agent to the extent possession or control by the Collateral Agent is required by the Security Agreement), the Liens created by the Security Documents (other than the Mortgages) shall constitute to the extent required by the terms thereof fully perfected Liens on, and security interests in, all right, title and interest of the grantors in such Collateral, in each case free and clear of any Liens other than Permitted Liens.

## SECTION 6

### Conditions Precedent

6.1 Conditions to Initial Extension of Credit. This Agreement, including the agreement of each Lender to make the Initial Extension of Credit requested to be made by it, shall become effective on the date on which the following conditions precedent shall have been satisfied or waived:

(a) The Administrative Agent shall have received executed counterparts of this Agreement and the Guarantee Agreement by each Loan Party, as applicable.

(b) Substantially concurrently with the satisfaction of the other conditions precedent set forth in this Section 6.1, the Administrative Agent shall have received evidence, in form and substance reasonably satisfactory to it, that the Borrower shall have (x) entered into a senior revolving credit agreement and (y) received gross cash proceeds of not less than \$635.0 million (calculated before applicable fees and original issue discount) from the issuance of the 2012 Senior Secured Notes.

(c) The Administrative Agent shall have received, on behalf of itself and the Lenders, a favorable written opinion of (i) Debevoise & Plimpton LLP and (ii) Richards, Layton & Finger, PA, special Delaware counsel, in each case (A) dated the Closing Date, and (B) addressed to the Administrative Agent and the Lenders.

(d) The Administrative Agent shall have received (i) a copy of the certificate or articles of incorporation, partnership agreement or other constitutive document, including all amendments thereto, of each Loan Party, certified as of a recent date by the Secretary of State or comparable office of the state of its organization or, if consented to by the Administrative Agent (not to be unreasonably withheld or delayed), by a Responsible Officer or other officer of the relevant Loan Party, and a certificate as to the good standing of each Loan Party as of a recent date, from such Secretary of State; (ii) a certificate of a Responsible Officer or other officer of each Loan Party dated the Closing Date and certifying (A) that attached thereto is a true and complete copy of the by-laws, partnership agreement, limited liability company agreement (or other equivalent documents) of such Loan Party as in effect on the Closing Date and at all times since a date immediately prior to the date of the resolutions described in clause (B) below, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors, members or partners or shareholders (or other equivalent governing body) of such Loan Party authorizing the execution, delivery and performance of the Loan Documents to which such Person is a party and, in the case of the Borrower, the borrowings hereunder, and that such resolutions have not been modified, rescinded or amended and are in full force and effect, (C) that the certificate or articles of incorporation, partnership agreement or other constitutive document of such Loan Party have not been amended since the date of the last amendment thereto shown on the certificate of good standing furnished pursuant to clause (i) above, and (D) as to the incumbency and specimen signature of each officer executing any Loan Document or any other document delivered in connection herewith on behalf of such Loan Party; and (iii) a certificate of another officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary or other authorized officer executing the certificate pursuant to clause (ii) above.

(e) All reasonable fees, costs and expenses due and payable on or prior to the Closing Date (including Attorney Costs and expenses of any other advisors), to the extent invoiced at least two Business Days prior to the Closing Date (except as otherwise reasonably agreed by the Borrower), and other compensation payable to the Administrative Agent, the Lead Arrangers and the Lenders required to be reimbursed or paid by the Borrower hereunder or under any other Loan Document or under the Engagement Letter on the Closing Date, shall have been paid.

(f) The Security Agreement and the Intellectual Property Security Agreements, in each case dated as of the Closing Date, shall have been duly executed by each Loan Party that is to be a party thereto and the Security Agreement and such Intellectual Property Security Agreements shall be in full force and effect on the Closing Date, and true and correct copies of such Security Documents shall have been delivered to the Collateral Agent.

(g) The Administrative Agent shall have received the results of a search of the Uniform Commercial Code filings (or equivalent filings) made with respect to the Loan Parties in the states (or other jurisdictions) of formation of such Persons, together with copies of the financing statements (or similar documents) disclosed by such search, and accompanied by evidence satisfactory to the Administrative Agent that the Liens indicated in any such financing statement (or similar document) would be permitted under Section 8.5 or have been or will be contemporaneously released or terminated.

(h) After giving effect to the consummation of the Transactions, the Borrower's (x) 9.5% Senior Secured Notes due 2016 and (y) existing Revolving Credit Agreement, dated as of July 20, 2011, shall have been repaid, defeased or otherwise discharged (or irrevocable notice for redemption thereof has been given) substantially concurrently with or prior to the satisfaction of the other conditions precedent set forth in this Section 6.1 and the Administrative Agent shall have received a customary payoff letter with respect to such Existing Indebtedness to be repaid.

(i) The Administrative Agent shall have received a duly completed notice of borrowing from the Borrower.

(j) The Administrative Agent shall have received (i) GAAP audited consolidated balance sheets and related statements of income, stockholders' equity and cash flows of the Borrower for the 2009, 2010 and 2011 fiscal years (and, to the extent available, the related unaudited consolidating financial statements) and (ii) GAAP unaudited consolidated and (to the extent available) consolidating balance sheets and related statements of income, stockholders' equity and cash flows of the Borrower for the fiscal quarters ended December 31, 2011, March 31, 2012 and June 30, 2012.

(k) The Administrative Agent shall have received a certificate from the chief financial officer of the Borrower substantially in the form attached as Exhibit F certifying that the Borrower and its Subsidiaries, on a consolidated basis after giving effect to the Transactions and the other transactions contemplated hereby, are Solvent.

(l) The representations and warranties of the Loan Parties set forth in Section 5 and in each other Loan Document shall be true and correct in all material respects on and as of the Closing Date with the same effect as though made on and as of such date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date.

(m) The Administrative Agent shall have received, at least five days prior to the Closing Date, all documentation and other information required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including, without limitation, the Patriot Act, as has been reasonably requested in writing at least 10 days prior to the Closing Date.

## SECTION 7

### Affirmative Covenants

The Borrower hereby agrees that, from and after the Closing Date until payment in full of the Term Loans and all other Term Loan Facility Obligations then due and owing to any Lender or Agent hereunder, the Borrower shall and (except in the case of delivery of financial information, reports and notices) shall cause each of its respective Restricted Subsidiaries to:

7.1 Financial Statements. Deliver to the Administrative Agent for further distribution to each Lender:

(a) as soon as available, but in any event within 90 days after the end of each fiscal year of the Borrower ending on or after the Closing Date (or such longer period as would be permitted by the SEC if the Borrower (or any Parent whose financial statements satisfy the Borrower’s reporting obligations under this Section 7.1(a)) were then subject to SEC reporting requirements as a non-accelerated filer; provided, that such longer period shall not apply if the SEC provided such longer period exclusively to the Borrower (or such Parent)), a consolidated balance sheet of the Borrower and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, shareholders’ equity and cash flows for such fiscal year, and setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of KPMG LLP or any other independent certified public accountant of nationally recognized standing, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any “going concern” or like qualification or exception or any qualification or exception as to the scope of such audit (other than with respect to, or resulting from (i) an upcoming maturity date under the Facility that is scheduled to occur within one year from the time such report and opinion are delivered or (ii) any potential inability to satisfy any financial maintenance covenant included in any Indebtedness of the Borrower or its Subsidiaries on a future date in a future period);

(b) as soon as available, but in any event within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower ending on or after the Closing Date (or such longer period as would be permitted by the SEC if the Borrower (or any Parent whose financial statements satisfy the Borrower’s reporting obligations under this Section 7.1(b)) were then subject to SEC reporting requirements as a non-accelerated filer; provided, that such longer period shall not apply if the SEC provided such longer period exclusively to the Borrower (or such Parent)), the unaudited

consolidated balance sheet of the Borrower as at the end of such fiscal quarter, and the related unaudited consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal quarter and for the portion of the fiscal year then ended, and setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of the Borrower as fairly presenting in all material respects the financial condition, results of operations, shareholders' equity and cash flows of the Borrower and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes;

(c) [reserved]; and

(d) to the extent applicable, simultaneously with the delivery of each set of consolidated financial statements referred to in Sections 7.1(a) and 7.1(b) above, related unaudited condensed consolidating financial statements reflecting the material adjustments necessary (as determined by the Borrower in good faith) to eliminate the accounts of Unrestricted Subsidiaries (if any) from such consolidated financial statements.

Notwithstanding the foregoing, (i) in the event that the Borrower delivers to the Administrative Agent an Annual Report for any Parent on Form 10-K for any fiscal year, as filed with the SEC, within 90 days after the end of such fiscal year (or such longer period as would be permitted by the SEC if such Parent were then subject to SEC reporting requirements as a non-accelerated filer; provided, that such longer period shall not apply if the SEC provided such longer period exclusively to the Borrower (or such Parent)), such Form 10-K shall satisfy all requirements of Section 7.1(a) with respect to such fiscal year and (ii) in the event that the Borrower delivers to the Administrative Agent a Quarterly Report for any Parent on Form 10-Q for any fiscal quarter, as filed with the SEC, within 45 days after the end of such fiscal quarter (or such longer period as would be permitted by the SEC if such Parent were then subject to SEC reporting requirements as a non-accelerated filer; provided, that such longer period shall not apply if the SEC provided such longer period exclusively to the Borrower (or such Parent)), such Form 10-Q shall satisfy all requirements of Section 7.1(b) with respect to such fiscal quarter.

Notwithstanding anything in clauses (a) or (b) of this Section 7.1 to the contrary, except as expressly required with respect to Unrestricted Subsidiaries in clause (d) above, in no event shall any annual or quarterly financial statements delivered pursuant to clauses (a) or (b) of this Section 7.1 be required to (x) include any separate consolidating financial information with respect to the Borrower, any Subsidiary Guarantor or any other Affiliate of the Borrower, (y) comply with Section 302, Section 404 and Section 906 of the Sarbanes Oxley Act of 2002, as amended, or related items 307 and 308 of Regulation S-K under the Securities Act and (z) comply with Rule 3-05, Rule 3-09, Rule 3-10 and Rule 3-16 of Regulation S-X under the Securities Act, as the same may be amended or any successor law, rule or regulation thereto.

7.2 Certificates; Other Information. Deliver to the Administrative Agent for further distribution to each Lender.

(a) [Reserved]

(b) concurrently with the delivery of the financial statements and reports referred to in Sections 7.1(a) and (b), a certificate signed by a Responsible Officer of the Borrower (a “Compliance Certificate”) (i) stating that, to the best of such Responsible Officer’s knowledge, each of the Borrower and its Restricted Subsidiaries during such period has observed or performed all of its covenants and other agreements contained in this Agreement and the other Loan Documents to which it is a party and that such Responsible Officer has obtained no knowledge of any Default or Event of Default, except, in each case, as specified in such certificate and (ii) if (A) delivered with the financial statements required by Section 7.1(a) and (B) the First Lien Indebtedness to EBITDA Ratio as of the last day of the immediately preceding Fiscal Year was greater than 4.00:1.00, set forth in reasonable detail the amount of (and the calculations required to establish the amount of) Excess Cash Flow for the respective Fiscal Year covered by such financial statements;

(c) promptly after the same are publicly available, copies of each annual report, proxy or financial statement or other material report or material communication sent to the stockholders of the Borrower, and copies of all annual, regular, periodic and special reports and registration statements which the Borrower has filed with the SEC (other than any registration statement on Form S-8 or any filing on Form 8-K) or with any national securities exchange and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(d) [Reserved];

(e) [Reserved];

(f) together with the delivery of each Compliance Certificate pursuant to Section 7.2(b), copies of any Intellectual Property Security Agreement delivered to the Collateral Agent in accordance with Section 2.11(e) of the Security Agreement during the prior fiscal quarter;

(g) [reserved];

(h) promptly after the request by any Lender, all documentation and other information that such Lender reasonably requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act and the Beneficial Ownership Regulation; and

(i) promptly, such additional information regarding the business, legal, financial or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender through the Administrative Agent may from time to time reasonably request.

Documents required to be delivered pursuant to Sections 7.1(a) or (b) or 7.2 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such documents, or provides a link thereto on the

Borrower's website on the Internet at the website address listed in Schedule A (or such other website address as the Borrower may specify by written notice to the Administrative Agent from time to time); or (ii) on which such documents are posted on the Borrower's behalf on IntraLinks/IntraAgency or another relevant internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website (including any website maintained by the SEC) or whether sponsored by the Administrative Agent); provided that: (i) upon request the Borrower shall deliver paper copies of such documents to the Administrative Agent for further distribution to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent and (ii) the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for the timely accessing of posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents.

7.3 Notices. Promptly upon a Responsible Officer of the Borrower obtaining knowledge thereof, notify the Administrative Agent:

(a) of the occurrence of any Default; and

(b) of any matter that has resulted or would reasonably be expected to result in a Material Adverse Effect, including arising out of or resulting from: (i) breach or non-performance of, or any default under, a Contractual Obligation of any Loan Party or any Subsidiary, (ii) any dispute, litigation, investigation, proceeding or suspension between any Loan Party or any Subsidiary and any Governmental Authority, (iii) the commencement of, or any material development in, any litigation or proceeding affecting any Loan Party or any Subsidiary, including pursuant to any applicable Environmental Laws and or in respect of IP Rights or the assertion or occurrence of any noncompliance by any Loan Party or any of its Subsidiaries with any Environmental Law or Environmental Permit, or (iv) the occurrence of any ERISA Event or Foreign Benefit Event.

Each notice pursuant to this Section shall be accompanied by a written statement of a Responsible Officer of the Borrower (x) that such notice is being delivered pursuant to Section 7.3(a) or (b) (as applicable) and (y) setting forth reasonable details of the occurrence referred to therein and stating what action (if any) the Borrower has taken and proposes to take with respect thereto. The Administrative Agent agrees to promptly transmit each notice received by it in compliance with Section 7.3(a) to each Lender.

7.4 Payment of Taxes. Pay, discharge or otherwise satisfy as the same shall become due and payable, all taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets, except (a) those which are being contested in good faith by appropriate proceedings and for which adequate reserves are maintained to the extent required by GAAP (or, for Foreign Subsidiaries, in conformity with



generally accepted accounting principles that are applicable in their respective jurisdictions of organization) or (b) to the extent the failure to pay, discharge or satisfy the same would not reasonably be expected to have a Material Adverse Effect.

7.5 Preservation of Existence, Etc. (a) Preserve, renew and maintain in full force and effect its legal existence under the Laws of the jurisdiction of its organization, except in connection with an asset disposition or in a transaction permitted by Section 8.6 or to the extent (other than for the Borrower) that the failure to do so would not reasonably be expected to have a Material Adverse Effect, (b) take all reasonable action to maintain all rights, privileges (including its good standing if such concept has a legally recognized meaning in its jurisdiction of organization), permits, licenses and franchises necessary in the normal conduct of its business, except, in each case, in connection with an asset disposition or to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect, and (c) preserve or renew all of its registered patents, trademarks, trade names, service marks and copyrights, to the extent required under the Security Agreement.

7.6 Maintenance of Properties. Except if the failure to do so would not reasonably be expected to have a Material Adverse Effect, maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order, repair and condition, ordinary wear and tear and casualty or condemnation excepted.

7.7 Maintenance of Insurance. Except where failure to do so would not reasonably be expected to have a Material Adverse Effect, maintain with financially sound and reputable insurance companies insurance with respect to its material properties and business against loss or damage of such types and in such amounts (after giving effect to any self-insurance consistent with past practice, or reasonable under the circumstances, and, in either case, customary for similarly situated Persons engaged in the same or similar businesses as the Borrower and its Restricted Subsidiaries) as are consistent with past practice, or reasonable under the circumstances, and customarily carried under similar circumstances by such other Persons.

7.8 Compliance with Laws. Comply in all material respects with the requirements of all applicable Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except if the failure to comply therewith would not reasonably be expected to have a Material Adverse Effect.

7.9 Books and Records. Maintain proper books of record and account in a manner to allow financial statements to be prepared in conformity with GAAP consistently applied in respect of all material financial transactions and matters involving the material assets and business of the Borrower and its Subsidiaries taken as a whole (it being understood and agreed that each Foreign Subsidiary may maintain individual books and records in a manner to allow financial statements to be prepared in conformity with generally accepted accounting principles that are applicable in its jurisdiction of organization).

7.10 Inspection Rights. Permit representatives of the Administrative Agent (x) to visit and inspect any of its properties (to the extent it is within such person's control to permit such inspection), to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its



officers all at the reasonable expense of the Borrower, and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrower and (y) to have reasonable discussions regarding the business, operations, properties and financial condition of the Borrower and its Subsidiaries with the Borrower's independent certified public accountants (subject to such accountants' customary policies and procedures); provided that, excluding any such visits and inspections during the continuation of an Event of Default, (i) the Administrative Agent shall not exercise such rights more often than once during any calendar year absent the existence of an Event of Default and (ii) such exercise shall be at the Borrower's reasonable expense; provided further that when an Event of Default exists the Administrative Agent (or any of its representatives) may do any of the foregoing at the reasonable expense of the Borrower at any time during normal business hours and upon reasonable advance written notice. The Administrative Agent shall give the Borrower the opportunity to participate in any discussions with the Borrower's accountants pursuant to clause (y) of the immediately preceding sentence. Notwithstanding anything to the contrary in Subsection 7.2(i) or in this Subsection 7.10, none of the Borrower or any Restricted Subsidiary will be required to disclose or permit the inspection or discussion of, any document, information or other matter (i) that constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or the Lenders (or their respective representatives) is prohibited by Requirement of Law or any binding agreement or (iii) that is subject to attorney client or similar privilege or constitutes attorney work product.

7.11 Use of Proceeds. Use the proceeds of the Initial Term Loans only for general corporate purposes of the Borrower and its Subsidiaries, including to refinance existing Indebtedness and pay related fees, costs and expenses. Use the proceeds of the Tranche B Term Loans for the purposes specified in the First Incremental Amendment. Use the proceeds of the Tranche C Term Loans for the purposes specified in the Third Amendment. Use the proceeds of the Tranche D Term Loans for the purposes specified in the Fourth Amendment. Use the proceeds of the Tranche E Term Loans for the purposes specified in the Fifth Amendment. Use the proceeds of the Tranche F Term Loans for the purposes specified in the Seventh Amendment. Use the proceeds of the Tranche G Term Loans for the purposes specified in the Eighth Amendment. [Use the proceeds of the Tranche H Term Loans for the purposes specified in the Tenth Amendment.](#)

7.12 Covenant to Guarantee Obligations and Give Security.

(a) Upon (i) the formation or acquisition of any new direct or indirect Domestic Subsidiary that is a Wholly Owned Restricted Subsidiary (other than (A) an Unrestricted Subsidiary, (B) any Subsidiary that is prohibited by any Contractual Obligation (provided such prohibition was not incurred in connection with or in contemplation of the acquisition of such Subsidiary) or by applicable Laws from guaranteeing the Secured Obligations or which would require governmental (including regulatory) consent, approval, license or authorization to provide such guarantee unless such consent, approval, license or authorization has been received, (C) any Securitization Subsidiary, (D) any Subsidiary with respect to which the provision of a guaranty of the Secured Obligations would result in material adverse tax consequences (as reasonably determined by the Borrower and notified in writing to the Administrative Agent), (E) any not-for-profit Subsidiary, (F) any Captive Insurance Subsidiary, (G) any Subsidiary with respect to which the Borrower and Administrative Agent reasonably

agree that the burden or cost or other consequences of providing a guarantee of the Secured Obligations shall be excessive in view of the benefits to be obtained by the Lenders therefrom, (H) any Subsidiary that is a Special Purpose Entity, (I) a Subsidiary formed solely for the purpose of becoming a Parent, or merging with the Borrower in connection with another Subsidiary becoming a Parent, or otherwise creating or forming a Parent or (J) an Immaterial Subsidiary (all Subsidiaries described in the foregoing clauses (A) through (J), the “Excluded Subsidiaries”) by any Loan Party, (ii) the designation of any existing direct or indirect Domestic Subsidiary that is a Wholly Owned Subsidiary (other than an Excluded Subsidiary) as a Restricted Subsidiary in accordance with the terms hereof, (iii) any Domestic Subsidiary that is a Wholly Owned Subsidiary that is an Unrestricted Subsidiary (other than an Unrestricted Subsidiary that is otherwise an Excluded Subsidiary) ceasing to be an Unrestricted Subsidiary, (iv) any Domestic Subsidiary that is a Wholly Owned Restricted Subsidiary that is an Immaterial Subsidiary (other than an Immaterial Subsidiary that is otherwise an Excluded Subsidiary) ceasing to be an Immaterial Subsidiary, or (v) any Domestic Subsidiary that is a Wholly Owned Restricted Subsidiary that is an Excluded Subsidiary ceasing to be an Excluded Subsidiary, the Borrower shall, in each case at the Borrower’s expense, within 90 days after such formation, acquisition, designation, change in status or guarantee or such longer period as the Administrative Agent may agree in its discretion (so long as such Subsidiary is not an Excluded Subsidiary at the end of such 90 day or longer period):

(i) cause each such Subsidiary to duly execute and deliver to the Administrative Agent a guaranty supplement, in substantially the form attached to the Guarantee Agreement as Exhibit C, guaranteeing the Secured Obligations of each Loan Party;

(ii) cause each such Subsidiary to duly execute and deliver to the Collateral Agent a Security Agreement Supplement (as defined in the Security Agreement) and those Security Documents required to be delivered under the Security Agreement, as further specified by and in form and substance reasonably satisfactory to the Collateral Agent (substantially consistent with the Security Documents in effect on the Closing Date unless otherwise consented to by the Collateral Agent), granting a Lien to the extent required under the Security Agreement, in each case securing the Secured Obligations of such Subsidiary under the Guarantee Agreement;

(iii) (x) cause each such Subsidiary to deliver (i) any and all certificates representing Capital Stock directly owned by such Subsidiary (limited, in the case of Capital Stock of a Foreign Subsidiary, to 65% of each class of the outstanding Capital Stock (including for these purposes any investment deemed to be Capital Stock for United States Tax purposes) in such Foreign Subsidiary) accompanied by undated stock powers or other appropriate instruments of transfer executed in blank and (ii) instruments evidencing the Pledged Debt in each case in excess of \$5.0 million held by such Subsidiary, indorsed in blank to the Collateral Agent and (y) cause each direct parent of such Subsidiary that is a Guarantor or is required to become a Guarantor pursuant to Section 7.12(a)(i), to deliver any and all certificates representing the outstanding Capital Stock of such Subsidiary owned by such parent accompanied by undated stock powers or other appropriate instruments of transfer executed in blank; and

(iv) take and cause such Subsidiary and each direct or indirect parent of such Subsidiary to take whatever action is required under the Security Agreement or otherwise deemed necessary in the reasonable opinion of the Collateral Agent to vest in the Collateral Agent (or in any representative of the Collateral Agent designated by it) valid and subsisting Liens on the properties purported to be subject to the Security Documents delivered pursuant to this Section 7.12 and the Security Agreement, enforceable against all third parties in accordance with their terms.

For the avoidance of doubt, (i) no Excluded Subsidiary shall be required hereunder to guarantee the obligations of the Borrower or any Guarantor, (ii) no Foreign Subsidiary shall be required hereunder to guarantee the obligations of the Borrower or any Guarantor, (iii) no more than 65% of any class of Capital Stock of any Foreign Subsidiary shall be required to be pledged to support obligations of the Borrower or any Guarantor, and (iv) no Capital Stock of any Excluded Subsidiary shall be required to be pledged.

(b) Upon the acquisition by any Loan Party of any property the Borrower will cause such Loan Party to comply with the requirements under the Security Documents and cause such assets to be subject to a perfected Lien in favor of the Collateral Agent for the benefit of the Secured Parties to the extent required under the Security Documents and the Borrower will cause the relevant Loan Party to take such additional actions as shall be necessary or reasonably requested by the Collateral Agent to grant and perfect or record such Lien, including, as applicable, the actions referred to above.

(c) In no event shall the Borrower or any Restricted Subsidiary be required to (i) take any action in any jurisdiction other than the United States of America, or required by the laws of any such jurisdiction, in order to create any security interests (or other Liens) in assets located or titled outside of the United States of America or to perfect any security interests (or other Liens) in any such Collateral, (ii) deliver control agreements with respect to, or confer perfection by "control" over, any deposit accounts, bank or securities account or other Collateral, except, in the case of Collateral that constitutes Capital Stock or intercompany notes in certificated form, delivering such Capital Stock or intercompany notes (in the case of intercompany notes, limited to any such note with a principal amount in excess of \$5.0 million) to the Collateral Agent (or another Person as required under the Security Agreement) or (iii) deliver landlord lien waivers, estoppels or collateral access letters.

(d) Notwithstanding the foregoing, (x) the Collateral Agent shall not take a security interest in (i) those assets as to which the Collateral Agent and the Borrower shall agree (each acting reasonably) that the cost of obtaining such Lien (including any mortgage, stamp, intangibles or other tax) are excessive in relation to the benefit to the Lenders of the security afforded thereby or (ii) assets to the extent a security interest in such assets would result in material adverse tax consequences (including as a result of the operation of Section 956 of the Code or any similar Law in any applicable jurisdiction) as reasonably determined by the Borrower and notified in writing to the Administrative Agent and (y) Liens required to be granted pursuant to this Section 7.12 shall be subject to exceptions and limitations consistent with those set forth in the Security Documents as in effect on the Closing Date (to the extent appropriate in the applicable jurisdiction). In the case of any conflict between this Agreement and the Security Documents, the Security Documents shall govern and no assets are required to

be pledged or actions are required to be taken that are not required to be pledged or taken under the Security Documents.

7.13 Compliance with Environmental Laws. Except, in each case, to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect, (a) comply, and take all reasonable actions to cause all lessees and other Persons operating or occupying its properties to comply, in all material respects, with all applicable Environmental Laws and Environmental Permits, (b) obtain and renew all Environmental Permits necessary for its operations and properties, and (c) in each case to the extent required by Environmental Laws, conduct any investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other action necessary to remove and clean up all Hazardous Materials from any of its properties, in accordance with the requirements of all Environmental Laws.

7.14 Further Assurances. Promptly upon reasonable request by the Collateral Agent (or, with respect to the Guarantee Agreement and any other Loan Document (other than the Security Documents), the Administrative Agent) (i) correct any material defect or error that may be discovered in the execution, acknowledgment, filing or recordation of the Guarantee Agreement, any Security Document or any other Loan Document and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Collateral Agent (or, with respect to the Guarantee Agreement and any other Loan Document (other than the Security Documents), the Administrative Agent) may reasonably require from time to time in order to grant, preserve, protect and perfect the validity and priority of the security interests created or intended to be created by the Security Documents.

7.15 Maintenance of Ratings. Use commercially reasonable efforts to maintain ratings of the Term Loans, a public corporate rating and a public corporate family rating, as applicable, from each of S&P and Moody's, in each case in respect of the Borrower (but not to obtain or maintain a specific rating).

7.16 Post-Closing Actions. Complete the actions listed on Schedule 7.16 by the times stated therein (or such later date as may be consented to by the Administrative Agent in its sole discretion).

## SECTION 8

### Negative Covenants

The Borrower hereby agrees that, from and after the Closing Date until payment in full of the Term Loans and all other Term Loan Facility Obligations then due and owing to any Lender or any Agent hereunder:

8.1 [Reserved].

8.2 [Reserved].

8.3 [Reserved].

8.4 [Reserved].

8.5 Liens. (a) The Borrower will not, and will not permit any Guarantor to, directly or indirectly, create, incur, assume or suffer to exist any Lien (except Permitted Liens) that secures obligations under any Indebtedness of the Borrower or of a Guarantor, on any asset or property of the Borrower or any Guarantor, or any income or profits therefrom, or on any right to receive income therefrom (the "Initial Lien"), unless (a) in the case of an Initial Lien on any Collateral, such Initial Lien expressly has Junior Lien Priority on such Collateral in relation to the Term Loan Facility Obligations and the Guarantees, as applicable or (b) in the case of an Initial Lien on any other asset or property, the Term Loan Facility Obligations (or a Guarantee in the case of Liens of a Guarantor) are equally and ratably secured with (or, in the event the Lien relates to Subordinated Indebtedness, are secured on a senior basis to) the obligations so secured until such time as such obligations are no longer secured by a Lien.

(b) Any Lien created for the benefit of the Lenders pursuant to Section 8.5(a) shall be automatically and unconditionally released and discharged upon the release and discharge of the Initial Lien that gave rise to the obligation to secure the Term Loan Facility Obligations.

8.6 Fundamental Changes. The Borrower may not (1) consolidate or merge with or into another Person (whether or not the Borrower is the surviving Person); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Borrower and its Subsidiaries taken as a whole, in one or more related transactions to another Person (including pursuant to a Division); unless:

(a) either: (i) the Borrower is the surviving Person; or (ii) the Person formed by or surviving any such consolidation or merger (if other than the Borrower) or to which such sale, assignment, transfer, conveyance or other disposition has been made is a Person organized or existing under the laws of the United States, any state of the United States, the District of Columbia or any territory thereof (the Borrower or such Person, as the case may be, being herein called the "Successor Borrower");

(b) the Successor Borrower (if other than the Borrower) assumes all the obligations of the Borrower under this Agreement and the other Loan Documents to which it is a party by executing a joinder or one or more other documents or instruments in form reasonably satisfactory to the Administrative Agent;

(c) immediately after such transaction no Default or Event of Default exists;

(d) [reserved];

(e) each Subsidiary Guarantor (other than (x) any Subsidiary Guarantor that will be released from its obligations under its Subsidiary Guarantee in connection with such transaction and (y) any party to any such consolidation or merger that does not survive or become the Successor Borrower) shall have delivered a joinder or other document or instrument in form reasonably satisfactory to the Administrative Agent, confirming its Subsidiary Guarantee; and

(f) each Subsidiary Guarantor (other than (x) any Subsidiary that will be released from its grant or pledge of Collateral under the Security Agreement in connection with such transaction and (y) any party to any such consolidation or merger that does not survive or become the Successor Borrower) shall have by a supplement to the Security Agreement or another document or instrument in form reasonably satisfactory to the Administrative Agent affirmed that its obligations thereunder shall apply to its Guarantee as confirmed pursuant to clause (e) above;

provided that, for the purposes of this Section 8.6 only, neither a Music Publishing Sale nor a Recorded Music Sale will be deemed to be a sale, assignment, transfer, conveyance or other disposition of all or substantially all of the properties or assets of the Borrower and its Subsidiaries taken as a whole. For the avoidance of doubt, (1) the Borrower may therefore consummate a Music Publishing Sale without complying with this Section 8.6 notwithstanding anything to the contrary in this Section 8.6, (2) the Borrower may therefore consummate a Recorded Music Sale without complying with this Section 8.6 notwithstanding anything to the contrary in this Section 8.6 and (3) the determination in the preceding proviso shall not affect the determination of what constitutes all or substantially all the assets of the Borrower under any other contract to which the Borrower is a party.

For the purpose of this Section 8.6, with respect to any sale, lease, transfer, conveyance or other disposition of properties or assets in connection with any acquisition (including any acquisition by means of a merger or consolidation with or into the Borrower or any Restricted Subsidiary), the determination of whether such sale, lease, transfer, conveyance or disposition constitutes a sale of all or substantially all of the properties or assets of the Borrower and its Subsidiaries taken as a whole shall be made on a pro forma basis giving effect to such acquisition.

This Section 8.6 will not apply to a sale, assignment, transfer, conveyance or other disposition of assets between or among the Borrower and its Restricted Subsidiaries. Notwithstanding the foregoing clause (c), (x) any Restricted Subsidiary may consolidate with, merge into or transfer all or part of its properties and assets to the Borrower or to another Restricted Subsidiary and (y) the Borrower may merge with an Affiliate incorporated solely for the purpose of reincorporating the Borrower in another state of the United States.

8.7 [Reserved].

8.8 Change of Control. The Borrower shall not and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, in the event of the occurrence of a Change of Control, repurchase or repay any Indebtedness then outstanding pursuant to any Subordinated Indebtedness or any portion thereof, unless the Borrower shall have (i) made payment in full of

the Term Loan Facility Obligations and any other amounts then due and owing to any Lender or the Administrative Agent hereunder and under any Note or (ii) made an offer to pay the Term Loan Facility Obligations and any amounts then due and owing to each Lender and the Administrative Agent hereunder and under any Note and shall have made payment in full thereof to each such Lender or the Administrative Agent which has accepted such offer. For so long as the Borrower shall have complied with the terms of this Section 8.8, any Event of Default arising under Section 9.1(j) by reason of such Change of Control shall be deemed not to have occurred or be continuing.

8.9 Suspension of Covenants. If on any date following the Eighth Amendment Closing Date (i) the Investment Grade Condition is satisfied and (ii) no Default has occurred and is continuing under this Agreement (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "Covenant Suspension Event" and the date thereof being referred to as the "Suspension Date") then, the Borrower and the other Loan Parties shall not be subject to the covenants set forth in Sections 7.12 and clauses (e) and (f) of Section 8.6 (collectively, the "Suspended Covenants").

In the event that the Borrower and its Restricted Subsidiaries are not subject to the Suspended Covenants under this Agreement for any period of time as a result of the foregoing, and on any subsequent date (the "Reversion Date") the Investment Grade Condition is no longer satisfied, then the Borrower and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants under this Agreement with respect to future events. The period of time between the Suspension Date and the Reversion Date is the "Suspension Period".

Notwithstanding that the Suspended Covenants may be reinstated, (1) no Default, Event of Default or breach of any kind will be deemed to exist or have occurred as a result of any failure by the Borrower or any other Loan Party to comply with the Suspended Covenants during any Suspension Period (or upon termination of the Suspension Period or after that time arising out of actions taken or events that occurred during the Suspension Period), and (2) following a Reversion Date the Borrower and any other Loan Party will be permitted, without causing a Default, Event of Default or breach of any kind, to honor, comply with or otherwise perform any contractual commitments or obligations arising prior to such Reversion Date and to consummate the transactions contemplated thereby, and shall have no liability for any actions taken or events that occurred during the Suspension Period, or for any actions taken or events occurring at any time pursuant to any such commitment or obligation.

## SECTION 9

### Events of Default

9.1 Events of Default. Any of the following from and after the Closing Date shall constitute an event of default:

(a) The Borrower shall fail to pay any principal of any Term Loan when due in accordance with the terms hereof (whether at stated maturity, by mandatory prepayment or otherwise); or the Borrower shall fail to pay any interest on any Term



Loan, or any other amount payable hereunder, within five Business Days after any such interest or other amount becomes due in accordance with the terms hereof; or

(b) Any representation or warranty made or deemed made by any Loan Party herein or in any other Loan Document (or in any amendment, modification or supplement hereto or thereto) or which is contained in any certificate furnished at any time by or on behalf of any Loan Party pursuant to this Agreement or any such other Loan Document shall prove to have been incorrect in any material respect on or as of the date made or deemed made, and for the failure of any representation or warranty that is capable of being cured (as determined in good faith by the Borrower, which determination shall be conclusive), such default shall continue unremedied for a period of 30 days after the earlier of (A) the date on which a Responsible Officer of the Borrower becomes aware of such failure and (B) the date on which written notice thereof shall have been given to the Borrower by the Administrative Agent or the Required Lenders; or

(c) Any Loan Party shall default in the payment, observance or performance of any term, covenant or agreement contained in Section 8; or

(d) Any Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in clauses (a) through (c) of this Section 9.1), such default shall continue unremedied for a period of, in the case of a default with respect to reporting obligations under Section 7.1 or related certificates under Section 7.2, 120 days after notice thereof from the Administrative Agent or the Required Lenders, and in the case of any other default, 30 days after the earlier of (A) the date on which a Responsible Officer of the Borrower becomes aware of such failure and (B) the date on which written notice thereof shall have been given to the Borrower by the Administrative Agent or the Required Lenders; or

(e) Any Loan Party or any of its Restricted Subsidiaries shall (i) default in (x) any payment of principal of or interest on any Indebtedness (excluding the Term Loans) in excess of the Threshold Amount or (y) in the payment of any Guarantee Obligation in excess of the Threshold Amount, beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness or Guarantee Obligation was created; (ii) default in the observance or performance of any other agreement or condition relating to any Indebtedness (excluding the Term Loans) or Guarantee Obligation referred to in clause (i) above or contained in any instrument or agreement evidencing, securing or relating thereto (other than a failure to provide notice of a default or an event of default under such instrument or agreement or default in the observance of or compliance with any financial maintenance covenant), or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness or beneficiary or beneficiaries of such Guarantee Obligation (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice or lapse of time if required, such Indebtedness to become due prior to its stated maturity or such Guarantee Obligation to become payable (an "Acceleration"; and the term "Accelerated" shall have a correlative meaning), and such time shall have lapsed and, if any notice (a



“Default Notice”) shall be required to commence a grace period or declare the occurrence of an event of default before notice of Acceleration may be delivered, such Default Notice shall have been given and such default shall not have been remedied or waived by or on behalf of such holder or holders (provided that this clause (ii) shall not apply to (x) secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder or (y) any termination event or similar event pursuant to the terms of any Hedge Agreement) or (iii) in the case of any Indebtedness or Guarantee Obligations referred to in clause (i) above containing or otherwise requiring observance or compliance with any financial maintenance covenant, such Indebtedness or Guarantee Obligation shall have been Accelerated and such Acceleration shall not have been rescinded; or

(f) If (i) the Borrower or any Material Subsidiary of the Borrower shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts (excluding, in each case, the solvent liquidation or reorganization of any Foreign Subsidiary of the Borrower that is not a Loan Party), or (B) seeking appointment of a receiver, interim receiver, receivers, receiver and manager, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or the Borrower or any Material Subsidiary of the Borrower shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Borrower or any Material Subsidiary of the Borrower any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged, unstayed or unbonded for a period of 60 days; or (iii) there shall be commenced against the Borrower or any Material Subsidiary of the Borrower any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) the Borrower or any Material Subsidiary of the Borrower shall take any corporate or other similar organizational action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the Borrower or any Material Subsidiary of the Borrower shall be generally unable to, or shall admit in writing its general inability to, pay its debts as they become due; or

(g) (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or would reasonably be expected to result in liability of the Borrower under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount which would reasonably be expected to result in a Material Adverse Effect, (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer

Plan in an aggregate amount which would reasonably be expected to result in a Material Adverse Effect or (iii) a Foreign Benefit Event occurs which, either individually or together with other Foreign Benefit Events that have occurred, would reasonably be expected to result in a Material Adverse Effect; or

(h) One or more judgments or decrees shall be entered against the Borrower or any of its Restricted Subsidiaries involving in the aggregate at any time a liability (net of any insurance or indemnity payments actually received in respect thereof prior to or within 60 days from the entry thereof, or to be received in respect thereof in the event any appeal thereof shall be unsuccessful) of the Threshold Amount or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 60 days from the entry thereof; or

(i) With respect to any Collateral, individually, having a fair market value in excess of the Threshold Amount, any of the Security Documents ceases to be in full force and effect, or any of the Security Documents ceases to give the Lenders the Liens purported to be created thereby, or any of the Security Documents is declared null and void or the Borrower or any Guarantor denies in writing that it has any further liability under any Security Document (in each case other than in accordance with the terms of this Agreement or any of the Security Documents), except to the extent that any loss of perfection or priority results from the failure of the Collateral Agent (or any other collateral agent for any Indebtedness secured by a Lien) to maintain possession of certificates actually delivered to it representing securities, promissory notes or other instruments pledged under the Security Documents, or otherwise results from the gross negligence or willful misconduct of the Administrative Agent or the Collateral Agent (or any other collateral agent for any Indebtedness secured by a Lien) and except, as to Collateral consisting of real property, to the extent that such failure is covered by a lender's title insurance policy and the Collateral Agent is reasonably satisfied with the credit of such insurer; provided, that if a failure of the sort described in this Section 9.1(i) is susceptible of cure (including with respect to any loss of Lien priority on material portions of the Collateral), no Event of Default shall arise under this Section 9.1(i) with respect thereto until 30 days after a Responsible Officer becomes aware of such failure; or

(j) Subject to the Borrower's option to make an offer to prepay the Term Loans pursuant to Section 8.8, a Change of Control shall have occurred.

9.2 Remedies Upon an Event of Default. (a) If any Event of Default occurs and is continuing, then, and in any such event, (A) if such event is an Event of Default specified in clause (i) or (ii) of Section 9.1(f) with respect to the Borrower, automatically the Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement shall immediately become due and payable, and (B) if such event is any other Event of Default, with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower, declare the Term Loans hereunder (with accrued interest thereon) and all other amounts owing under this Agreement to be due and payable forthwith, whereupon the same shall immediately become due and payable.

(b) Except as expressly provided above in this Section 9, to the maximum extent permitted by applicable law, presentment, demand, protest and all other notices of any kind are hereby expressly waived.

(c) Notwithstanding anything to the contrary, neither the Administrative Agent nor any Lender may deliver notice of any Default or Event of Default or otherwise consent, take action or direct or require the Administrative Agent or any Lender to undertake any action in respect of any Default or Event of Default previously reported to the Administrative Agent and the Lenders through the delivery of a notice of Default in accordance with Section 7.3(a) more than two years prior to such delivery of notice, consent, action or direction or requirement to undertake action in respect of Default or Event of Default, and such delivery of notice, consent, action or direction or requirement to undertake action shall be invalid and have no effect; provided that, such two year limitation shall not apply if the Administrative Agent or the Required Lenders have commenced any remedial action (whether as set forth in this Section 9.2 or as otherwise set forth in the Loan Documents) in respect of any such Default or Event of Default prior to such time.

## SECTION 10

### The Agents and the Other Representatives

10.1 Appointment. (a) Each Lender hereby irrevocably designates and appoints the Agents as the agents of such Lender under this Agreement and the other Loan Documents, and each such Lender irrevocably authorizes each Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to or required of such Agent by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Each Lender further authorizes the Administrative Agent to act as representative of the Lenders under the Security Agreement and each other Security Document, as applicable. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Agents and the Other Representatives shall not have any duties or responsibilities, except, in the case of the Administrative Agent and the Collateral Agent, those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against any Agent or the Other Representatives.

(b) Each of the Agents may perform any of their respective duties under this Agreement, the other Loan Documents and any other instruments and agreements referred to herein or therein by or through its respective officers, directors, agents, employees or affiliates, or delegate any and all such rights and powers to, any one or more sub-agents appointed by such Agent (it being understood and agreed, for avoidance of doubt and without limiting the generality of the foregoing, that the Administrative Agent and the Collateral Agent may perform any of their respective duties under the Security Documents by or through one or more of their respective affiliates). Each Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Section 10 shall apply to any such sub-agent and to the Related

Parties of each Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Agent.

(c) Except for Sections 10.5, 10.8(a), (b), (c) and (e) and (to the extent of the Borrower's rights thereunder and the conditions included therein) 10.9, the provisions of this Section 10 are solely for the benefit of the Agents and the Lenders, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions.

10.2 The Administrative Agent and Affiliates. Each person serving as an Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include each person serving as an Agent hereunder in its individual capacity. Such person and its affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Holdings, the Borrower or any Subsidiary or other Affiliate thereof as if such person were not an Agent hereunder and without any duty to account therefor to the Lenders.

10.3 Action by an Agent. Each Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact (including the Collateral Agent in the case of the Administrative Agent), and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact or counsel selected by it with reasonable care.

10.4 Exculpatory Provisions. (a) No Agent shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, no Agent:

(i) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that such Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that such Agent shall not be required to take any action that, in its judgment or the judgment of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable Requirement of Law; and

(iii) shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the person serving as such Agent or any of its affiliates in any capacity.

(b) No Agent shall be liable for any action taken or not taken by it (x) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as such Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 11.1) or (y) in the absence of its own gross negligence, bad faith or willful misconduct. No Agent shall be deemed to have knowledge of any Default unless and until written notice describing such Default is given to such Agent by the Borrower or a Lender.

(c) No Agent shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Section 6 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent. Without limiting the generality of the foregoing, the use of the term "agent" in this Agreement with reference to the Administrative Agent or the Collateral Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term as used merely as a matter of market custom and is intended to create or reflect only an administrative relationship between independent contracting parties.

(d) Each party to this Agreement acknowledges and agrees that the Administrative Agent may use an outside service provider for the tracking of all UCC financing statements required to be filed pursuant to the Loan Documents and notification to the Administrative Agent, of, among other things, the upcoming lapse or expiration thereof, and that any such service provider will be deemed to be acting at the request and on behalf of the Borrower and the other Loan Parties. No Agent shall be liable for any action taken or not taken by any such service provider.

(e) No Agent warrants or accepts responsibility for, and shall not have any liability with respect to, (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Term SOFR Reference Rate, Term SOFR or any other Benchmark, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Term SOFR Reference Rate, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Benchmark Replacement Conforming Changes with respect to any Benchmark Replacement for the Tranche H Term Loans. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Term SOFR Reference Rate, Term SOFR, Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable

discretion to ascertain the Term SOFR Reference Rate, Term SOFR or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

10.5 Acknowledgement and Representations by Lenders. Each Lender expressly acknowledges that none of the Agents or the Other Representatives nor any of their officers, directors, employees, agents, attorneys-in-fact or affiliates has made any representations or warranties to it and that no act by any Agent or any Other Representative hereafter taken, including any review of the affairs of the Borrower or any other Loan Party, shall be deemed to constitute any representation or warranty by such Agent or such Other Representative to any Lender. Each Lender further represents and warrants to the Agents, the Other Representatives and each of the Loan Parties that it has had the opportunity to review each document made available to it on the Platform in connection with this Agreement and has acknowledged and accepted the terms and conditions applicable to the recipients thereof. Each Lender acknowledges that, independently and without reliance upon any Agent, the Other Representatives or any other Lender, and based on such documents and information as it has deemed appropriate, it has made and will make, its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Borrower and the other Loan Parties, it has made its own decision to make its Loans hereunder and enter into this Agreement and it will make its own decisions in taking or not taking any action under this Agreement and the other Loan Documents and, except as expressly provided in this Agreement, neither the Agents nor any Other Representative shall have any duty or responsibility, either initially or on a continuing basis, to provide any Lender or the holder of any Note with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter. Each Lender acknowledges and agrees to comply with the provisions of Section 11.6 applicable to the Lenders hereunder.

10.6 Indemnity; Reimbursement by Lenders. (a) To the extent that the Borrower or any other Loan Party for any reason fails to indefeasibly pay any amount required under Section 11.5 to be paid by it to the Administrative Agent (or any sub-agent thereof) or the Collateral Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay ratably according to their respective outstanding Term Loans on the date on which the applicable unreimbursed expense or indemnity payment is sought under this Section 10.6 such unpaid amount (such indemnity shall be effective whether or not the related losses, claims, damages, liabilities and related expenses are incurred or asserted by any party hereto or any third party); provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the Collateral Agent (or any sub-agent thereof) or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or the Collateral Agent (or any sub-agent thereof) in connection with such capacity. The obligations of the Lenders under this Section 10.6 are subject to the provisions of Section 4.8.

(b) Any Agent shall be fully justified in failing or refusing to take any action hereunder and under any other Loan Document (except actions expressly required to be taken by it hereunder or under the Loan Documents) unless it shall first be indemnified to its satisfaction by the Lenders pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action.

(c) All amounts due under this Section 10.6 shall be payable not later than three Business Days after demand therefor. The agreements in this Section 10.6 shall survive the payment of the Loans and all other amounts payable hereunder.

10.7 Right to Request and Act on Instructions; Reliance. (a) Each Agent may at any time request instructions from the Lenders with respect to any actions or approvals which by the terms of this Agreement or of any of the Loan Documents an Agent is permitted or desires to take or to grant, and if such instructions are promptly requested, the requesting Agent shall be absolutely entitled as between itself and the Lenders to refrain from taking any action or to withhold any approval and shall not be under any liability whatsoever to any Lender for refraining from any action or withholding any approval under any of the Loan Documents until it shall have received such instructions from Required Lenders or all or such other portion of the Lenders as shall be prescribed by this Agreement. Without limiting the foregoing, no Lender shall have any right of action whatsoever against any Agent as a result of an Agent acting or refraining from acting under this Agreement or any of the other Loan Documents in accordance with the instructions of Required Lenders (or all or such other portion of the Lenders as shall be prescribed by this Agreement) and, notwithstanding the instructions of Required Lenders (or such other applicable portion of the Lenders), an Agent shall have no obligation to any Lender to take any action if it believes, in good faith, that such action would violate applicable law or exposes an Agent to any liability for which it has not received satisfactory indemnification in accordance with the provisions of Section 10.6.

(b) Each Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper person. Each Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. Each Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall be entitled to rely upon the advice of any such counsel, accountants or experts and shall not be liable for any action taken or not taken by it in accordance with such advice.

10.8 Collateral Matters. (a) Each Lender authorizes and directs the Administrative Agent (including in its capacity as representative of the Lenders under the Security Documents) and the Collateral Agent to enter into (and agrees to be bound by the terms of) () the Guarantee Agreement, the Security Documents, the Junior Lien Intercreditor



Agreement and any Other Intercreditor Agreement for the benefit of the Lenders and the other Secured Parties, (y) any amendments, amendments and restatements, restatements or waivers of or supplements to or other modifications to the Security Documents, the Junior Lien Intercreditor Agreement and any Other Intercreditor Agreement or other intercreditor agreements in connection with the incurrence by any Loan Party or any Subsidiary thereof of Additional Indebtedness (each an “Intercreditor Agreement Supplement”) to permit such Additional Indebtedness to be secured by a valid, perfected lien (with such priority as may be designated by the Borrower or relevant Subsidiary, to the extent such priority is permitted by the Loan Documents) and (z) any Incremental Commitment Amendment as provided in Section 2.6, any Increase Supplement as provided in Section 2.6, any Lender Joinder Agreement as provided in Section 2.6, any agreement required in connection with a Permitted Debt Exchange Offer pursuant to Section 2.7 and any Extension Amendment as provided in Section 2.8. Each Lender hereby agrees, and each holder of any Note by the acceptance thereof will be deemed to agree, that, except as otherwise set forth herein, any action taken by the Administrative Agent, the Collateral Agent or the Required Lenders in accordance with the provisions of this Agreement, the Guarantee Agreement, the Security Documents, the Junior Lien Intercreditor Agreement, any Other Intercreditor Agreement, any Intercreditor Agreement Supplement, any Incremental Commitment Amendment, any Increase Supplement, any Lender Joinder Agreement or any agreement required in connection with a Permitted Debt Exchange Offer or any Extension Amendment and the exercise by the Agents or the Required Lenders of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders. Each Lender further agrees that the Collateral Agent may act pursuant to the Security Documents as instructed by the representative of the First Lien Obligations (as defined in the Security Agreement) then having authority to direct actions of the Collateral Agent pursuant to the Security Documents. The Collateral Agent is hereby authorized on behalf of all of the Lenders, without the necessity of any notice to or further consent from any Lender, from time to time, to take any action with respect to any applicable Collateral or Security Documents which may be necessary to perfect and maintain perfected the security interest in and liens upon the Collateral granted pursuant to the Security Documents. Each Lender agrees that it will not have any right individually to enforce or seek to enforce any Security Document or to realize upon any Collateral for the Term Loans unless instructed to do so by the Collateral Agent, it being understood and agreed that such rights and remedies may be exercised only by the Collateral Agent. Notwithstanding the foregoing, each Lender expressly and irrevocably waives any right to take or institute any actions or proceedings, judicial or otherwise, for any right or remedy or assert any other cause of action against any Loan Party (including the exercise of any right of set-off, rights on account of any banker’s lien or similar claim or other rights of self-help), or institute any actions or proceedings or any other cause of action, or otherwise commence any remedial procedures, in each case in its capacity as a Lender, against Holdings, the Borrower and/or any of their respective Subsidiaries or any Parent with respect to any Collateral or any other property of any such Person, without the prior written consent of the Administrative Agent and the Required Lenders (which shall not be withheld in contravention of this Section 10); provided, that, for the avoidance of doubt, this provision may be enforced against any Lender by the Required Lenders, the Agents or the Borrower (or any of its Affiliates) and each Lender and the Agents expressly acknowledge that this provision shall be available as a defense of the Borrower (or any of its Affiliates) in any action, proceeding, cause of action or remedial procedure. The Collateral Agent may grant extensions of time for the



creation and perfection of security interests in or the obtaining of title insurance, legal opinions or other deliverables with respect to particular assets or the provision of any guarantee by any Subsidiary (including extensions beyond the Closing Date or in connection with assets acquired, or Subsidiaries formed or acquired, after the Closing Date) where it determines that such action cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required to be accomplished by this Agreement or the Security Documents or if instructed to do so in accordance with the Security Documents.

(b) The Lenders hereby authorize each Agent, in each case at its option and in its discretion, (A) to release any Lien granted to or held by such Agent upon any Collateral (i) upon termination of the Initial Term Loan Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, [Tranche H Term Loan Commitments](#) and payment and satisfaction of all of the Term Loan Facility Obligations under the Loan Documents at any time arising under or in respect of this Agreement or the Loan Documents or the transactions contemplated hereby or thereby that are then due and unpaid, (ii) constituting property being sold or otherwise disposed of (to Persons other than a Loan Party) upon the sale or other disposition thereof, (iii) owned by any Subsidiary Guarantor designated as an Excluded Subsidiary or constituting Equity Interests of an Excluded Subsidiary, (iv) if approved, authorized or ratified in writing by the Required Lenders (or such greater amount, to the extent required by [Section 11.1](#)) or (v) as otherwise may be expressly provided in the relevant Security Documents and (B) at the written request of the Borrower to subordinate any Lien on any Excluded Assets or any other property granted to or held by such Agent, as the case may be under any Loan Document to the holder of any Permitted Lien. Upon request by any Agent, at any time, the Lenders will confirm in writing any Agent's authority to release particular types or items of Collateral pursuant to this [Section 10.8](#).

(c) The Lenders hereby authorize the Administrative Agent and the Collateral Agent, as the case may be, in each case at its option and in its discretion, to enter into any amendment, amendment and restatement, restatement, waiver, supplement or modification, and to make or consent to any filings or to take any other actions, in each case as contemplated by [Section 11.17](#). Upon request by any Agent, at any time, the Lenders will confirm in writing the Administrative Agent's and the Collateral Agent's authority under this [Section 10.8\(c\)](#).

(d) No Agent shall have any obligation whatsoever to the Lenders to assure that the Collateral exists or is owned by Holdings, the Borrower or any of its Restricted Subsidiaries or is cared for, protected or insured or that the Liens granted to any Agent herein or pursuant hereto have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to the Agents in this [Section 10.8](#) or in any of the Security Documents, it being understood and agreed by the Lenders that in respect of the Collateral, or any act, omission or event related thereto, each Agent may act in any manner it may deem appropriate, in its sole discretion, given such Agent's own interest in the Collateral as a Lender and that no Agent shall have any duty or liability whatsoever to the Lenders, except for its bad faith, gross negligence or willful misconduct.

(e) Notwithstanding any provision herein to the contrary, any Security Document may be amended (or amended and restated), restated, waived, supplemented or modified as contemplated by and in accordance with either Section 11.1 or 11.17, as applicable, with the written consent of the Agent party thereto and the Loan Party party thereto.

(f) The Collateral Agent may appoint the Administrative Agent as its agent for the purposes of holding any Collateral and/or perfecting the Collateral Agent's security interest therein and for the purpose of taking such other action with respect to the collateral as such Agents may from time to time agree.

10.9 Successor Agent. Subject to the appointment of a successor as set forth herein, (i) the Administrative Agent or the Collateral Agent may be removed by the Borrower or the Required Lenders (in the case of the Collateral Agent, subject to the Security Agreement) if the Administrative Agent, the Collateral Agent or a controlling affiliate of the Administrative Agent or the Collateral Agent is a Defaulting Agent and (ii) the Administrative Agent and the Collateral Agent may resign as Administrative Agent or Collateral Agent, respectively, in each case upon ten days' notice to the Administrative Agent, the Lenders and the Borrower, as applicable. If the Administrative Agent or the Collateral Agent shall be removed by the Borrower or the Required Lenders pursuant to clause (i) above or if the Administrative Agent or the Collateral Agent shall resign as Administrative Agent or Collateral Agent, as applicable, under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which such successor agent shall be subject to approval by the Borrower; provided that such approval by the Borrower in connection with the appointment of any successor Administrative Agent shall only be required so long as no Event of Default under Section 9.1(a) or (f) has occurred and is continuing; provided further, that the Borrower shall not unreasonably withhold its approval of any successor Administrative Agent if such successor is an Approved Commercial Bank. If no successor shall have been so appointed by the Required Lenders and approved by the Borrower (to the extent required) and shall have accepted such appointment within 45 days after the Administrative Agent or the Collateral Agent, as the case may be, gives notice of its resignation or is notified that it is being removed, then the Administrative Agent or Collateral Agent, as the case may be, may, on behalf of the Lenders appoint a successor Administrative Agent or Collateral Agent, as the case may be, which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. If no successor Administrative Agent or Collateral Agent, as the case may be, has been appointed pursuant to the immediately preceding sentence by the 45th day after the date such notice of resignation or removal, as applicable, the Administrative Agent's or Collateral Agent's resignation or removal, as applicable, shall become effective and the Required Lenders shall thereafter perform all the duties of the Administrative Agent or Collateral Agent hereunder and/or under any other Loan Document until such time, if any, as the Required Lenders appoint a successor Administrative Agent or Collateral Agent, as the case may be. Upon the successful appointment of a successor agent, such successor agent shall succeed to the rights, powers and duties of the Administrative Agent or the Collateral Agent, as applicable, and the term "Administrative Agent" or "Collateral Agent", as applicable, shall mean such successor agent effective upon such appointment and approval, and the former Agent's rights, powers and duties as Administrative Agent or Collateral Agent, as applicable, shall be terminated, without any other or further act or deed on the part of such former Agent or any of the parties to this Agreement or any holders of the Term Loans. After any retiring Agent's resignation or removal

as Agent, the provisions of this Section 10 (including Section 10.9) shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement and the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. In the case of the Collateral Agent, the provision of this Section 10.9 shall in all respects be subject to the provisions of the Security Agreement.

10.10 Withholding Tax. To the extent required by any applicable law, each Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding tax, and in no event shall such Agent be required to be responsible for or pay any additional amount with respect to any such withholding. If the Internal Revenue Service or any other Governmental Authority asserts a claim that any Agent did not properly withhold tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify such Agent of a change in circumstances which rendered the exemption from or reduction of withholding tax ineffective or for any other reason, without limiting the provisions of Section 4.11(a) or 4.12, such Lender shall indemnify such Agent fully for all amounts paid, directly or indirectly, by such Agent as tax or otherwise, including any penalties or interest and together with any expenses incurred and shall make payable in respect thereof within 30 days after demand therefor. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due the Administrative Agent under this Section 10.10. The agreements in this Section 10.10 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender and the repayment, satisfaction or discharge of all other Term Loan Facility Obligations.

10.11 Other Representatives. None of the entities identified as joint bookrunners and joint lead arrangers or syndication agents pursuant to the definition of "Other Representative" contained herein, shall have any duties or responsibilities hereunder or under any other Loan Document in its capacity as such. Without limiting the foregoing, no Other Representative shall have nor be deemed to have a fiduciary relationship with any Lender. At any time that any Lender serving as an Other Representative shall have transferred to any other Person (other than any of its affiliates) all of its interests in the Loans, such Lender shall be deemed to have concurrently resigned as such Other Representative.

10.12 Application of Proceeds. The Lenders and the Administrative Agent agree, as among such parties, as follows: subject to the terms of the Security Agreement, any Junior Lien Intercreditor Agreement, any Other Intercreditor Agreement or any Intercreditor Agreement Supplement, after the occurrence and during the continuance of an Event of Default, all amounts collected or received by the Administrative Agent or any Lender on account of amounts then due and outstanding under any of the Loan Documents shall, except as otherwise expressly provided herein, be applied as follows: first, to pay all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees to the extent provided herein) due and owing hereunder of the Administrative Agent and the Collateral Agent in connection with enforcing the rights of the Agents and the Lenders under the Loan Documents (including all expenses of sale or other realization of or in respect of the Collateral and any sums advanced to the Collateral

Agent or to preserve its security interest in the Collateral), second, to pay all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees to the extent provided herein) due and owing hereunder of each of the Lenders in connection with enforcing such Lender's rights under the Loan Documents, third, to pay interest on Loans then outstanding; fourth, to pay principal of Loans then outstanding and obligations under Secured Hedge Agreements and Cash Management Obligations permitted hereunder and secured by the Security Agreement as Term Loan Facility Obligations, ratably among the applicable Secured Parties in proportion to the respective amounts described in this clause "fourth" payable to them, and fifth, to pay the surplus, if any, to whomever may be lawfully entitled to receive such surplus. To the extent any amounts available for distribution pursuant to clause "third" or "fourth" above are insufficient to pay all obligations described therein in full, such moneys shall be allocated pro rata among the applicable Secured Parties in proportion to the respective amounts described in the applicable clause at such time. This Section 10.12 may be amended (and the Lenders hereby irrevocably authorize the Administrative Agent to enter into any such amendment) to the extent necessary to reflect differing amounts payable, and priorities of payments, to Lenders participating in any new classes or tranches of loans added pursuant to Sections 2.6 and 2.8, as applicable.

## SECTION 11

### Miscellaneous

11.1 Amendments and Waivers. (a) Neither this Agreement nor any other Loan Document, nor any terms hereof or thereof, may be amended, supplemented, modified or waived except in accordance with the provisions of this Section 11.1. The Required Lenders may, or, with the written consent of the Required Lenders, the Administrative Agent may, from time to time, (x) enter into with the respective Loan Parties hereto or thereto, as the case may be, written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or to the other Loan Documents or changing, in any manner the rights or obligations of the Lenders or the Loan Parties hereunder or thereunder or (y) waive at any Loan Party's request, on such terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that amendments pursuant to Sections 11.1(d) and (f) may be effected without the consent of the Required Lenders to the extent provided therein; provided further, that no such waiver and no such amendment, supplement or modification shall:

(i) (A) reduce or forgive the amount or extend the scheduled date of maturity of any Loan or of any scheduled installment thereof (including extending the Initial Term Loan Maturity Date, the Tranche B Term Loan Maturity Date, the Tranche C Term Loan Maturity Date, the Tranche D Term Loan Maturity Date, the Tranche E Term Loan Maturity Date, the Tranche F Term Loan Maturity Date ~~or~~, the Tranche G Term Loan Maturity Date or the Tranche H Term Loan Maturity Date), (B) reduce the stated rate of any interest, commission or fee payable hereunder (other than as a result of any waiver of the applicability of any post-default increase in interest rates), (C) extend the scheduled date of any payment of any Lenders' Loans, (D) change the currency in which any Loan is payable or (E) increase any Lender's Initial Term Loan Commitment, Tranche B Term

Loan Commitment, Tranche C Term Loan Commitment, Tranche D Term Loan Commitment, Tranche E Term Loan Commitment, Tranche F Term Loan Commitment, Tranche G Term Loan Commitment, [Tranche H Term Loan Commitment](#) or Incremental Commitment, in each case without the consent of each Lender directly and adversely affected thereby (it being understood that waivers or modifications of conditions precedent, covenants, Defaults or Events of Default or of a mandatory repayment of the Loans of all Lenders shall not constitute an extension of the scheduled date of maturity, any scheduled installment, or the scheduled date of payment of the Loans of any Lender or an increase in the Initial Term Loan Commitment, Tranche B Term Loan Commitment, Tranche C Term Loan Commitment, Tranche D Term Loan Commitment, Tranche E Term Loan Commitment, Tranche F Term Loan Commitment, Tranche G Term Loan Commitment, [Tranche H Term Loan Commitment](#) or Incremental Commitment of any Lender);

(ii) amend, modify or waive any provision of this [Section 11.1\(a\)](#) or reduce the percentage specified in the definition of "Required Lenders," or consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents (other than pursuant to [Section 8.6](#) or [11.6\(a\)](#)), in each case without the written consent of all the Lenders;

(iii) release Guarantors accounting for all or substantially all of the value of the Guarantee of the Term Loan Facility Obligations pursuant to the Guarantee Agreement, or, in the aggregate (in a single transaction or a series of related transactions), all or substantially all of the Collateral without the consent of all of the Lenders, except as expressly permitted hereby or by any Security Document (as such documents are in effect on the date hereof or, if later, the date of execution and delivery thereof in accordance with the terms hereof);

(iv) require any Lender to make Loans having an Interest Period of longer than six months or shorter than one month without the consent of such Lender;

(v) amend, modify or waive any provision of [Section 10](#) without the written consent of the then Agents;

(vi) amend, modify or waive any provision of [Section 10.1\(a\)](#), [10.5](#) or [10.11](#) without the written consent of any Other Representative directly and adversely affected thereby;

(vii) [reserved];

(viii) [reserved]; or

(ix) amend, modify or waive the order of application of payments set forth in [Section 4.4\(c\)](#), [10.12](#) or [11.7](#), in each case without the consent of all the Lenders;

provided further that, notwithstanding and in addition to the foregoing, and in addition to Liens the Collateral Agent is authorized to release pursuant to [Section 10.8\(b\)](#), the Collateral Agent may, in its discretion, release the Lien on Collateral valued in the aggregate not in excess of

\$10.0 million in any Fiscal Year without the consent of any Lender and the Collateral Agent may release Liens on Collateral upon instructions of the Authorized Applicable Representative (as defined in the Security Agreement) pursuant to the Security Agreement.

(b) Any waiver and any amendment, supplement or modification pursuant to this Section 11.1 shall apply to each of the Lenders and shall be binding upon the Loan Parties, the Lenders, the Agents and all future holders of the Loans. In the case of any waiver, each of the Loan Parties, the Lenders and the Agents shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

(c) Notwithstanding any provision herein to the contrary, this Agreement may be amended at any time on or prior to the Tranche B Delayed Draw Closing Date as contemplated by Section 11 of the First Incremental Amendment.

(d) Notwithstanding any provision herein to the contrary, (x) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder or under any of the Loan Documents, except to the extent the consent of such Lender would be required under clause (i) in the further proviso to the second sentence of Section 11.1(a), (y) no Disqualified Institution shall have any right to approve or disapprove any amendment, waiver or consent hereunder or under any of the Loan Documents and (z) no Net Short Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder or under any of the Loan Documents and instead shall be deemed to have voted its interest as a Lender as provided in Section 11.1(i) below (for the avoidance of doubt, other than a Net Short Lender that is also a Disqualified Institution, which shall be subject to the preceding clause (y)).

(e) Notwithstanding any provision herein to the contrary, this Agreement and the other Loan Documents may be amended (i) to cure any ambiguity, mistake, omission, defect, or inconsistency with the consent of the Borrower and the Administrative Agent, (ii) in accordance with Section 2.6 to incorporate the terms of any Incremental Commitments with the written consent of the Borrower and Lenders providing such Incremental Commitments, (iii) in accordance with Section 2.8 to effectuate an Extension with the written consent of the Borrower and the Extending Lenders, (iv) in accordance with Section 4.7(b) to effectuate the replacement of LIBOR Rate or a Benchmark (as applicable) with a Benchmark Replacement and (v) with the consent of the Borrower and the Administrative Agent (in each case such consent not to be unreasonably withheld or delayed), in the event any mandatory prepayment or redemption provision in respect of asset sales, casualty or condemnation events or excess cash flow included or to be included in any Indebtedness constituting Pari Passu Indebtedness would result in such Indebtedness being prepaid or redeemed on a more than ratable basis with the Term Loans in respect of such asset sale, casualty or condemnation event or excess cash flow prepayment, to provide for mandatory prepayments of the Term Loans such that, after giving effect thereto, the prepayments and redemptions made in respect of such Indebtedness are not on more than a ratable basis. Without limiting the generality of the foregoing, any provision of this Agreement and the other Loan Documents, including Section 4.4, 4.8 or 10.14 hereof, may be amended as set forth in the immediately preceding sentence pursuant to any Incremental Commitment



Amendment or any Extension Amendment, as the case may be, to provide for non-pro rata borrowings and payments of any amounts hereunder as between any Tranches, including the Term Loans, any Incremental Commitments or Incremental Loans and any Extended Term Tranche, or to provide for the inclusion, as appropriate, of the Lenders of any Extended Term Tranche or Incremental Commitments or Incremental Loans in any required vote or action of the Required Lenders or of the Lenders of each Tranche hereunder. The Administrative Agent hereby agrees (if requested by the Borrower) to execute any amendment referred to in this clause (d) or an acknowledgement thereof.

(f) Notwithstanding any provision herein to the contrary, this Agreement may be amended (or deemed amended) or amended and restated with the written consent of the Required Lenders, the Administrative Agent and the Borrower (x) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the existing Facilities and the accrued interest and fees in respect thereof, (y) to include, as appropriate, the Lenders holding such credit facilities in any required vote or action of the Required Lenders or of the Lenders of each Facility hereunder and (z) to provide class protection for any additional credit facilities.

(g) Notwithstanding any provision herein to the contrary, any Security Document may be amended (or amended and restated), restated, waived, supplemented or modified as contemplated by Section 11.17 with the written consent of the Agent party thereto and the Loan Party party thereto.

(h) If, in connection with any proposed change, waiver, discharge or termination of or to any of the provisions of this Agreement and/or any other Loan Document as contemplated by Section 11.1(a), the consent of each Lender or each directly and adversely affected Lender, as applicable, is required and the consent of the Required Lenders at such time is obtained but the consent of one or more of such other Lenders whose consent is required is not obtained (each such Lender, a “Non-Consenting Lender”) then the Borrower may, on notice to the Administrative Agent and the Non-Consenting Lender, (A) replace such Non-Consenting Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 11.6 (with the assignment fee and any other costs and expenses to be paid by the Borrower in such instance) all of its rights and obligations under this Agreement to one or more assignees; provided that neither the Administrative Agent nor any Lender shall have any obligation to the Borrower to find a replacement Lender; provided, further, that the applicable assignee shall have agreed to the applicable change, waiver, discharge or termination of this Agreement and/or the other Loan Documents; and provided, further, that all obligations of the Borrower owing to the Non-Consenting Lender relating to the Loans and participations so assigned shall be paid in full by the assignee Lender to such Non-Consenting Lender concurrently with such Assignment and Acceptance or (B) so long as no Event of Default under Section 9.1(a) or (f) then exists or will exist immediately after giving effect to the respective prepayment, prepay the Loans and, if applicable, terminate the commitments of such Non-Consenting Lender, in whole or in part, subject to Section 4.12, without premium or penalty. In connection with any such replacement under this Section 11.1(g), if the Non-Consenting Lender does not execute and deliver to the Administrative Agent a duly completed Assignment and Acceptance and/or any other documentation necessary to reflect such replacement by the later of

(a) the date on which the replacement Lender executes and delivers such Assignment and Acceptance and/or such other documentation and (b) the date as of which all obligations of the Borrower owing to the Non-Consenting Lender relating to the Loans and participations so assigned shall be paid in full by the assignee Lender to such Non-Consenting Lender, then such Non-Consenting Lender shall be deemed to have executed and delivered such Assignment and Acceptance and/or such other documentation as of such date and the Borrower shall be entitled (but not obligated) to execute and deliver such Assignment and Acceptance and/or such other documentation on behalf of such Non-Consenting Lender, and the Administrative Agent shall record such assignment in the Register.

(i) Notwithstanding anything to the contrary herein, in connection with any determination as to whether the requisite Lenders have (A) consented (or not consented) to any amendment or waiver of any provision of this Agreement or any other Loan Document or any departure by any Loan Party therefrom, (B) otherwise acted on any matter related to any Loan Document, or (C) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, any Lender (alone or together with its Affiliates (but subject to clause (vi) below)) (other than any Lender that is a Regulated Bank) that, as a result of its (or its Affiliates' (but subject to clause (vi) below)) interest in any total return swap, total rate of return swap, credit default swap or other derivative contract (other than any such total return swap, total rate of return swap, credit default swap or other derivative contract entered into pursuant to bona fide market making activities), has a net short position with respect to either (1) the Loans and/or Commitments or (2) any other Indebtedness and/or commitments in respect thereof of the Borrower or the other Loan Parties (any such Indebtedness and/or commitments under this clause (2), the "Covered Indebtedness") (each, a "Net Short Lender") shall have no right to vote any of its Loans and Commitments and shall be deemed to have voted its interest as a Lender without discretion in the same proportion as the allocation of voting with respect to such matter by Lenders who are not Net Short Lenders (in each case unless otherwise agreed to by the Borrower). For purposes of determining whether a Lender (alone or together with its Affiliates (but subject to clause (vi) below)) has a "net short position" on any date of determination: (i) derivative contracts with respect to the Loans and/or Commitments and/or any Covered Indebtedness and such contracts that are the functional equivalent thereof shall be counted at the notional amount thereof in Dollars, (ii) notional amounts in other currencies shall be converted to the dollar equivalent thereof by such Lender in a commercially reasonable manner consistent with generally accepted financial practices and based on the prevailing conversion rate (determined on a mid-market basis) on the date of determination, (iii) derivative contracts in respect of an index that includes the Borrower or other Loan Parties or any instrument issued or guaranteed by the Borrower or other Loan Parties shall not be deemed to create a short position with respect to either (1) the Loans and/or Commitments and/or (2) the Covered Indebtedness, so long as (x) such index is not created, designed, administered or requested by such Lender or its Affiliates (other than its Excluded Affiliates) and (y) the Borrower and other Loan Parties and any instrument issued or guaranteed by the Borrower or other Loan Parties, collectively, shall represent less than 5% of the components of such index, (iv) derivative transactions that are documented using either the 2014 ISDA Credit Derivatives Definitions or the 2003 ISDA Credit Derivatives Definitions (collectively, the "ISDA CDS Definitions") shall be deemed to create a short position with respect to either (1) the Loans and/or Commitments and/or (2) the Covered Indebtedness if such Lender (or its Affiliates (other than its Excluded Affiliates)) is a protection buyer or the



equivalent thereof for such derivative transaction and (x) the Loans and/or the Commitments and/or any Covered Indebtedness are a "Reference Obligation" under the terms of such derivative transaction (whether specified by name in the related documentation, included as a "Standard Reference Obligation" on the most recent list published by Markit, if "Standard Reference Obligation" is specified as applicable in the relevant documentation or in any other manner), (y) the Loans and/or the Commitments and/or any Covered Indebtedness would be a "Deliverable Obligation" under the terms of such derivative transaction or (z) the Borrower or other Loan Parties (or any of their successors) is designated as a "Reference Entity" under the terms of such derivative transactions, (v) credit derivative transactions or other derivatives transactions not documented using the ISDA CDS Definitions shall be deemed to create a short position with respect to either (1) the Loans and/or Commitments and/or (2) the Covered Indebtedness if such transactions are functionally equivalent to a transaction that offers such Lender or its Affiliates (other than its Excluded Affiliates) protection in respect of the Loans and/or the Commitments and/or any Covered Indebtedness, or as to the credit quality of the Borrower or other Loan Parties (or any of their successors) other than, in each case, as part of an index so long as (x) such index is not created, designed, administered or requested by such Lender or its Affiliates (other than its Excluded Affiliates) and (y) the Borrower and other Loan Parties and any instrument issued or guaranteed by the Borrower or other Loan Parties, collectively, shall represent less than 5% of the components of such index and (vi) in connection with any such determination, each Lender shall either (A) reasonably inquire as to whether its Ethically Screened Affiliates have any interest in the Loans and/or Commitments, any such Covered Indebtedness and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract, and such Ethically Screened Affiliates' interests therein shall only be included in determining whether such Lender (alone or together with its Affiliates) is a Net Short Lender to the extent determined from such reasonable inquiry or (B) provide a certification or deemed certification to the Administrative Agent and the Borrower that such Lender is not coordinating or acting in concert with any of its Affiliates (other than any Affiliates designated in writing by such Lender whose interests in the Loans and/or Commitments, any such Covered Indebtedness and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract shall be included in determining whether such Lender is a Net Short Lender (each, a "Designated Affiliate")) with respect to its interest in the Loans and/or Commitments, any such Covered Indebtedness and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract, in which case the interests of the Affiliates (other than any Designated Affiliates) of such Lender in any Loans and/or Commitments, any such Covered Indebtedness and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract shall not be included in determining whether such Lender is a Net Short Lender (any such Affiliate in clause (A) or (B) above (other than any Designated Affiliates) whose Loans and/or Commitments, any Covered Indebtedness and/or any applicable total return swap, total rate of return swap, credit default swap or other derivative contract are not included in determining whether such Lender is a Net Short Lender, an "Excluded Affiliate"). In connection with any such determination, each Lender shall promptly notify the Administrative Agent in writing that it is a Net Short Lender, or shall otherwise be deemed to have represented and warranted to the Borrower and the Administrative Agent that it is not a Net Short Lender (it being understood and agreed that the Borrower and the Administrative Agent shall be entitled to rely on each such representation and deemed representation; provided that if such determination relates to a notice, consent, action or direction

or requirement to undertake action relating to a Default or Event of Default, such representation or deemed representation shall be deemed repeated at all times until the resulting Default or Event of Default is cured or ceases to exist or the Loans hereunder are accelerated).

11.2 Notices. (a) All notices, requests, and demands to or upon the respective parties hereto to be effective shall be in writing (including telecopy), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or three days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received, or, in the case of delivery by a nationally recognized overnight courier, when received, addressed as follows in the case of the Borrower, the Administrative Agent and the Collateral Agent, and as set forth in Schedule A in the case of the other parties hereto, or to such other address as may be hereafter notified by the respective parties hereto and any future holders of the Loans:

The Borrower

WGM Acquisition Corp.  
c/o Warner Music Group Corp.  
75 Rockefeller Plaza  
New York, NY 10019  
Attention: General Counsel  
Facsimile: (212) 275-3601  
Website: [www.wmg.com](http://www.wmg.com)

With copies (which shall not constitute notice) to:

Debevoise & Plimpton LLP  
919 Third Avenue  
New York, New York 10022  
Attention: Pierre Maug<sup>✓</sup>é, Esq.  
Facsimile: +44 (20) 7588 4180  
Telephone: (212) 909-6139  
Email: [pmaugue@debevoise.com](mailto:pmaugue@debevoise.com)

The Administrative Agent/the Collateral Agent:

Credit Suisse AG, Cayman Islands Branch  
Eleven Madison Avenue  
New York, NY 10010  
Attention: Jason Wheeler  
Facsimile: (212) 322-2291  
Email: [agency.loanops@credit-suisse.com](mailto:agency.loanops@credit-suisse.com)

With copies (which shall not constitute notice) to:

Davis Polk & Wardwell LLP  
450 Lexington Avenue  
New York, NY 10017  
Attention: Jason Kyrwood  
Facsimile: (212) 701-5653  
Telephone: (212) 450-4653

provided that any notice, request or demand to or upon the Administrative Agent or the Lenders pursuant to Section 4.2, 4.4 or 4.8 shall not be effective until received.

(b) Without in any way limiting the obligation of any Loan Party and its Subsidiaries to confirm in writing any telephonic notice permitted to be given hereunder, the Administrative Agent may prior to receipt of written confirmation act without liability upon the basis of such telephonic notice, believed by the Administrative Agent in good faith to be from a Responsible Officer of a Loan Party.

(c) Loan Documents may be transmitted and/or signed by facsimile or other electronic means (e.g., a “pdf” or “tiff”). The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on each Loan Party, each Agent and each Lender. The Administrative Agent may also require that any such documents and signatures be confirmed by a manually signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any facsimile or other electronic document or signature.

(d) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including electronic mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices to any Lender pursuant to Section 2 if such Lender, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Section by electronic communication. Unless the Administrative Agent otherwise prescribes (with the Borrower’s consent), (i) notices and other communications sent to an e-mail address shall be deemed to have been duly made or given when delivered, provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the posting thereof.

(e) (i) The Borrower hereby acknowledges that (a) the Administrative Agent will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, “Borrower Materials”) by posting the Borrower Materials on a Platform and (b) certain of the Lenders may be “public-side” Lenders (*i.e.*, Lenders that do not wish to receive material non-public information with respect to the Borrower or its securities) (each, a “Public Lender”). The Borrower hereby agrees to clearly and conspicuously mark all Borrower Materials that the Borrower intends to be made available to Public Lenders; provided that the Borrower agrees that the Disqualified Institution List will be deemed to be “public-side” Borrower Materials and may be made available to Public Lenders.

(ii) Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the “Private Side Information” or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender’s compliance procedures and applicable law, including United States federal and state securities laws, to make reference to communications that are not made available through the “Public Side Information” portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States federal or state securities laws.

11.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of any Agent, any Lender or any Loan Party, any right, remedy, power or privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

11.4 Survival of Representations and Warranties. All representations and warranties made hereunder and in the other Loan Documents (or in any amendment, modification or supplement hereto or thereto) and in any certificate delivered pursuant hereto or such other Loan Documents shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

11.5 Payment of Expenses and Taxes. The Borrower agrees (a) to pay or reimburse the Agents and the Other Representatives for (1) all their reasonable and documented out-of-pocket costs and expenses incurred in connection with (i) the syndication of the Facilities and the development, preparation, execution and delivery of, and any amendment, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith or therewith, (ii) the consummation and administration of the transactions (including the syndication of the Initial Term Loan Commitments, the Tranche B Term Loan Commitments, the Tranche C Term Loan Commitments, the Tranche D Term Loan Commitments, the Tranche E Term Loan Commitments, the Tranche F Term Loan Commitments ~~and~~, the Tranche G Term Loan Commitments or the Tranche H Term Loan Maturity Date) contemplated hereby and thereby and (iii) efforts to monitor the Loans and verify, protect, evaluate, assess, appraise, collect, sell, liquidate or otherwise dispose of any of the Collateral, and (2) the reasonable and documented fees and disbursements of Davis Polk and Wardwell LLP, and such other special or local counsel, consultants, advisors, appraisers and auditors whose retention (other than during the continuance of an Event of Default) is approved by the Borrower, (b) to pay or reimburse each Lender, each Other Representative and the Agents for all their reasonable costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Loan Documents and any other documents prepared in connection herewith or therewith, including the fees and disbursements of counsel to the Agents and the Lenders, (c) to pay, indemnify, or reimburse each Lender, each Other Representative and the Agents for, and hold each Lender, each Other Representative and the Agents harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, any stamp, documentary, excise and other similar taxes, if any, which may be payable or determined to be payable in connection with the execution, delivery or enforcement of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Loan Documents and any such other documents, and (d) to pay, indemnify or reimburse each Lender, each Other Representative, each Agent (and any sub-agent thereof) and each Related Party of any of the foregoing Persons (each, an "Indemnitee") for, and hold each Indemnitee harmless from and against, any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement, the other Loan Documents and

any such other documents, including any of the foregoing relating to the use of proceeds of the Loans, the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of the Borrower or any of its Restricted Subsidiaries or any of the property of the Borrower or any of its Restricted Subsidiaries, of any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party and regardless of whether any Indemnitee is a party thereto (all the foregoing in this clause (d), collectively, the “Indemnified Liabilities”), provided that the Borrower shall not have any obligation hereunder to any Lead Arranger, any Other Representative, any Agent (or any sub-agent thereof) or any Lender (or any Related Party of any such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender ) with respect to Indemnified Liabilities arising from (i) the gross negligence, bad faith or willful misconduct of any such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender (or any Related Party of any such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender), as the case may be, as determined by a court of competent jurisdiction in a final and non-appealable decision, (ii) a material breach of the Loan Documents by any such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender (or any Related Party of any such Lead Arranger, Other Representative, Agent (or any sub-agent thereof) or Lender), as the case may be, as determined by a court of competent jurisdiction in a final and non-appealable decision or (iii) claims against such Indemnitee or any Related Party brought by any other Indemnitee that do not involve claims against any Lead Arranger or Agent in its capacity as such. Neither the Borrower nor any Indemnitee shall be liable for any indirect, special, punitive or consequential damages hereunder; provided that nothing contained in this sentence shall limit the Borrower’s indemnity or reimbursement obligations under this Section 11.5 to the extent such indirect, special, punitive or consequential damages are included in any third party claim in connection with which such Indemnitee is entitled to indemnification hereunder. All amounts due under this Section 11.5 shall be payable not later than 30 days after written demand therefor. Statements reflecting amounts payable by the Loan Parties pursuant to this Section 11.5 shall be submitted to the address of the Borrower set forth in Section 11.2, or to such other Person or address as may be hereafter designated by the Borrower in a notice to the Administrative Agent. Notwithstanding the foregoing, except as provided in Sections 11.5(b) and (c) above, the Borrower shall have no obligation under this Section 11.5 to any Indemnitee with respect to any tax, levy, impost, duty, charge, fee, deduction or withholding imposed, levied, collected, withheld or assessed by any Governmental Authority. The agreements in this Section 11.5 shall survive repayment of the Loans and all other amounts payable hereunder.

11.6 Successors and Assigns; Participations and Assignments. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) other than in accordance with Section 8.6, the Borrower shall not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 11.6.

(b) (i) Subject to the conditions set forth in Section 11.6(b)(ii) below, any Lender other than a Conduit Lender may, in the ordinary course of business and in accordance

with applicable law, assign (other than to a Disqualified Institution or any natural person) to one or more assignees (each, an “Assignee”) all or a portion of its rights and obligations under this Agreement (including its Tranche B Term Loan Commitment, Tranche C Term Loan Commitment, Tranche D Term Loan Commitment, Tranche E Term Loan Commitment, Tranche F Term Loan Commitment, Tranche G Term Loan Commitment, [Tranche H Term Loan Commitment](#) and/or any Tranche of Term Loans, pursuant to an Assignment and Acceptance) with the prior written consent of:

(A) (1) with respect to the Tranche B Term Loan Commitments, the Borrower, (2) with respect to the Tranche C Term Loan Commitments, the Borrower, (3) with respect to the Tranche D Term Loan Commitments, the Borrower, (4) with respect to the Tranche E Term Loan Commitments, the Borrower, (5) with respect to the Tranche F Term Loan Commitments, the Borrower, (6) with respect to the Tranche G Term Loan Commitments, the Borrower ~~and~~, (7) [with respect to the Tranche H Term Loan Commitments, the Borrower and](#) (8) with respect to any Tranche of Loans, the Borrower (such consent, in the case of this clause (78), not to be unreasonably withheld), provided, that with respect to any assignment of any Tranche of Term Loans, no consent of the Borrower shall be required for an assignment (x) to a Lender, an Affiliate of a Lender, or an Approved Fund (as defined below); provided, that if any Lender assigns all or a portion of its rights and obligations under this Agreement to one of its Affiliates in connection with or in contemplation of the sale or other disposition of its interest in such Affiliate, the Borrower’s prior written consent shall be required for such assignment, (y) if an Event of Default under [Section 9.1\(a\)](#) or (f) with respect to the Borrower has occurred and is continuing, to any other Person, and (z) in connection with the primary syndication of (A) the Initial Term Loans by Credit Suisse AG to Persons previously disclosed by it to the Borrower, (B) the Tranche B Term Loans by the Tranche B Initial Committed Lenders (as defined in the First Incremental Amendment) to Persons previously disclosed by them to the Borrower on or prior to the First Incremental Amendment Effective Date, (C) the Tranche C Term Loans by Credit Suisse AG to Persons previously disclosed by it to the Borrower or on prior to the Third Amendment Closing Date, (D) the Tranche D Term Loans by Credit Suisse AG to Persons previously disclosed by it to the Borrower on or prior to the Fourth Amendment Closing Date, (E) the Tranche E Term Loans by Credit Suisse AG to Persons previously disclosed by it to the Borrower on or prior to the Fifth Amendment Closing Date, (F) the Tranche F Term Loans by Credit Suisse AG to Persons previously disclosed by it to the Borrower on or prior to the Seventh Amendment Closing Date, (G) the Tranche G Term Loans by Credit Suisse AG to Persons previously disclosed by it to the Borrower on or prior to the Eighth Amendment Closing Date, [\(H\) the Tranche H Term Loans by Credit Suisse AG to Persons previously disclosed by it to the Borrower on or prior to the Tenth Amendment Closing Date](#); and

(B) the Administrative Agent (such consent not to be unreasonably withheld); provided that no consent of the Administrative Agent shall be required for an assignment to a Lender or an Affiliate of a Lender or an Approved Fund.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Initial Term Loan Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, Tranche H Term Loan Commitments, Incremental Commitments or Loans under any Facility, the amount of the Initial Term Loan Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, Incremental Commitments ~~or~~, Tranche H Term Loan Commitments, Incremental Commitments or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall be in an amount of an integral multiple of \$1.0 million unless the Borrower and the Administrative Agent otherwise consent, provided that (1) no such consent of the Borrower shall be required if an Event of Default under Section 9.1(a) or (f) with respect to the Borrower has occurred and is continuing and (2) such amounts shall be aggregated in respect of each Lender and its Affiliates or Approved Funds, if any;

(B) the parties to each assignment shall (A) execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system acceptable to the Administrative Agent or (B) if previously agreed with the Administrative Agent, manually execute and deliver to the Administrative Agent an Assignment and Acceptance, and, in each case, shall pay to the Administrative Agent a processing and recordation fee of \$3,500; provided that for concurrent assignments to two or more Approved Funds such assignment fee shall only be required to be paid once in respect of and at the time of such assignments;

(C) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire;

(D) any assignment of Incremental Commitments or Loans to an Affiliated Lender shall also be subject to the requirements of Sections 11.6(h) and (i); and



(E) any Term Loans acquired by Holdings, the Borrower or any Subsidiary shall be retired and cancelled promptly upon acquisition thereof.

For the purposes of this Section 11.6, the term “Approved Fund” has the following meaning: “Approved Fund” means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender. Notwithstanding the foregoing, no Lender shall be permitted to make assignments under this Agreement to any Disqualified Institution, except to the extent the Borrower has consented to such assignment in writing (in which case such Lender will not be considered a Disqualified Institution solely for that particular assignment).

(iii) Subject to acceptance and recording thereof pursuant to clause (b)(iv) below, from and after the effective date specified in each Assignment and Acceptance the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender’s rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of (and bound by any related obligations under) Sections 4.10, 4.11, 4.12, 4.13 and 11.5, and bound by its continuing obligations under Section 11.16). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 11.6(b) shall, to the extent it would comply with Section 11.6(c), be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with clause (c) of this Section 11.6.

(iv) The Borrower hereby designates the Administrative Agent, and the Administrative Agent agrees, to serve as the Borrower’s agent, solely for purposes of this Section 11.6, to maintain at one of its offices in New York, New York a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Initial Term Loan Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, Tranche H Term Loan Commitments or Incremental Commitments of, and interest and principal amount of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the “Register”). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower (and, solely with respect to entries applicable to such Lender, any Lender), at any reasonable time and from time to time upon reasonable prior notice. Notwithstanding anything herein to the contrary, the Borrower shall be



entitled to pursue any remedy available to it (whether at law or in equity) against the Lender and such Disqualified Institution. Notwithstanding the foregoing, in no event shall the Administrative Agent (in its capacity as such) (x) be obligated to ascertain, monitor or inquire as to whether (a) any Lender is a Net Short Lender or (b) any Lender is a Disqualified Institution or (y) have any liability with respect to any assignment or participation of Loans to any Disqualified Institution (other than through the Administrative Agent's gross negligence, bad faith or willful misconduct as determined by a court of competent jurisdiction in a final non-appealable decision; provided that in no event shall the Administrative Agent have any liability for any failure to ascertain, monitor or inquire as to whether any Lender is a Disqualified Institution).

(v) Each Lender that sells a participation shall, acting for itself and, solely for this purpose, as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary (x) to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations or (y) for the Borrower to enforce its rights hereunder. The entries in the Participant Register shall be conclusive absent manifest error, and a Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(vi) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Lender and an Assignee, the Assignee's completed administrative questionnaire (unless the Assignee shall already be a Lender hereunder), the processing and recordation fee referred to in Section 11.6(b) and any written consent to such assignment required by Section 11.6(b), the Administrative Agent shall accept such Assignment and Acceptance, record the information contained therein in the Register and give prompt notice of such assignment and recordation to the Borrower. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (vi).

(vii) On or prior to the effective date of any assignment pursuant to this Section 11.6(b), the assigning Lender shall surrender any outstanding Notes held by it all or a portion of which are being assigned. Any Notes surrendered by the assigning Lender shall be returned by the Administrative Agent to the Borrower marked "cancelled".

Notwithstanding the foregoing provisions of this Section 11.6(b) or any other provision of this Agreement, if the Borrower shall have consented thereto in writing in its sole discretion, the Administrative Agent shall have the right, but not the obligation, to effectuate assignments of Loans, Incremental Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan

Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, [Tranche H Term Loan Commitments](#) and Initial Term Loan Commitments via an electronic settlement system acceptable to Administrative Agent and the Borrower as designated in writing from time to time to the Lenders by Administrative Agent (the “Settlement Service”). At any time when the Administrative Agent elects, in its sole discretion, to implement such Settlement Service, each such assignment shall be effected by the assigning Lender and proposed Assignee pursuant to the procedures then in effect under the Settlement Service, which procedures shall be subject to the prior written approval of the Borrower and shall be consistent with the other provisions of this [Section 11.6\(b\)](#). Each assigning Lender and proposed Assignee shall comply with the requirements of the Settlement Service in connection with effecting any assignment of Loans, Incremental Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, [Tranche H Term Loan Commitments](#) and Initial Term Loan Commitments pursuant to the Settlement Service. Assignments and assumptions of Loans, Incremental Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, [Tranche H Term Loan Commitments](#) and Initial Term Loan Commitments shall be effected by the provisions otherwise set forth herein until the Administrative Agent notifies the Lenders of the Settlement Service as set forth herein. The Borrower may withdraw its consent to the use of the Settlement Service at any time upon notice to the Administrative Agent, and thereafter assignments and assumptions of the Loans, Incremental Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, [Tranche H Term Loan Commitments](#) and Initial Term Loan Commitments shall be effected by the provisions otherwise set forth herein. Notwithstanding the foregoing, it is understood and agreed that the Administrative Agent shall have the right, but not the obligation, to effectuate assignments of Loans, Incremental Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, [Tranche H Term Loan Commitments](#) and Initial Term Loan Commitments via the Clearpar electronic settlement system pursuant to procedures consistent with this [Section 11.6\(b\)](#).

Furthermore, no Assignee, which as of the date of any assignment to it pursuant to this [Section 11.6\(b\)](#) would be entitled to receive any greater payment under [Section 4.10](#), [4.11](#), [4.12](#) or [11.5](#) than the assigning Lender would have been entitled to receive as of such date under such Sections with respect to the rights assigned, shall, notwithstanding anything to the contrary in this Agreement, be entitled to receive such greater payments unless the assignment was made after an Event of Default under [Section 9.1\(a\)](#) or [\(f\)](#) has occurred and is continuing or the Borrower has expressly consented in writing to waive the benefit of this provision at the time of such assignment.

(c) (i) Any Lender other than a Conduit Lender may, in the ordinary course of its business and in accordance with applicable law, without the consent of the Borrower or the Administrative Agent, sell participations (other than to any Disqualified Institution or a natural person) to one or more banks or other entities (a “Participant”) in all or a portion of such

Lender's rights and obligations under this Agreement (including all or a portion of its Initial Term Loan Commitments, Incremental Commitments, Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, [Tranche H Term Loan Commitments](#) and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (C) such Lender shall remain the holder of any such Loan for all purposes under this Agreement and the other Loan Documents, (D) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement and (E) in the case of any participation to a Permitted Affiliated Assignee, such participation shall be governed by the provisions of [Section 11.6\(h\)\(ii\)](#) to the same extent as if each reference therein to an assignment of a Loan were to a participation of a Loan and the references to Affiliated Lender were to such Permitted Affiliated Assignee in its capacity as a participant. Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (1) requires the consent of each Lender directly affected thereby pursuant to the second proviso to the second sentence of [Section 11.1\(a\)](#) and (2) directly affects such Participant. Subject to [Section 11.6\(c\)\(ii\)](#), the Borrower agrees that each Participant shall be entitled to the benefits of (and shall have the related obligations under) [Sections 4.10, 4.11, 4.12, 4.13](#) and [11.5](#) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to [Section 11.6\(b\)](#). To the extent permitted by law, each Participant also shall be entitled to the benefits of [Section 11.7\(b\)](#) as though it were a Lender, provided that such Participant shall be subject to [Section 11.7\(a\)](#) as though it were a Lender. Notwithstanding the foregoing, no Lender shall be permitted to sell participations under this Agreement to any Disqualified Institution, except to the extent the Borrower has consented to such participation in writing (in which case such Lender will not be considered a Disqualified Institution solely for that particular participation).

(ii) No Loan Party shall be obligated to make any greater payment under [Section 4.10, 4.11, 4.12](#) or [11.5](#) than it would have been obligated to make in the absence of any participation, unless the sale of such participation is made with the prior written consent of the Borrower and the Borrower expressly waives the benefit of this provision at the time of such participation. A Participant shall not be entitled to the benefits of [Section 4.11](#) unless such Participant complies with [Section 4.11\(b\)](#) or [Section 4.11\(c\)](#), as applicable, and provides the forms and certificates referenced therein to the Lender that granted such participation.

(d) Any Lender, without the consent of the Borrower or the Administrative Agent, may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central bank, and this [Section 11.6](#) shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or

substitute (by foreclosure or otherwise) any such pledgee or Assignee for such Lender as a party hereto.

(e) No assignment or participation made or purported to be made to any Assignee or Participant shall be effective without the prior written consent of the Borrower if it would require the Borrower to make any filing with any Governmental Authority or qualify any Loan or Note under the laws of any jurisdiction, and the Borrower shall be entitled to request and receive such information and assurances as it may reasonably request from any Lender or any Assignee or Participant to determine whether any such filing or qualification is required or whether any assignment or participation is otherwise in accordance with applicable law.

(f) Notwithstanding the foregoing, any Conduit Lender may assign any or all of the Loans it may have funded hereunder to its designating Lender without the consent of the Borrower or the Administrative Agent and without regard to the limitations set forth in Section 11.6(b). The Borrower, each Lender and the Administrative Agent hereby confirms that it will not institute against a Conduit Lender or join any other Person in instituting against a Conduit Lender any domestic or foreign bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding under any state, federal or provincial bankruptcy or similar law, for one year and one day after the payment in full of the latest maturing commercial paper note issued by such Conduit Lender; provided, however, that each Lender designating any Conduit Lender hereby agrees to indemnify, save and hold harmless each other party hereto for any loss, cost, damage or expense arising out of its inability to institute such a proceeding against such Conduit Lender during such period of forbearance. Each such indemnifying Lender shall pay in full any claim received from the Borrower pursuant to this Section 11.6(f) within 30 Business Days of receipt of a certificate from a Responsible Officer of the Borrower specifying in reasonable detail the cause and amount of the loss, cost, damage or expense in respect of which the claim is being asserted, which certificate shall be conclusive absent manifest error. Without limiting the indemnification obligations of any indemnifying Lender pursuant to this Section 11.6(f), in the event that the indemnifying Lender fails timely to compensate the Borrower for such claim, any Loans held by the relevant Conduit Lender shall, if requested by the Borrower, be assigned promptly to the Lender that administers the Conduit Lender and the designation of such Conduit Lender shall be void.

(g) If the Borrower wishes to replace the Loans under any Facility with ones having different terms, it shall have the option, with the consent of the Administrative Agent and subject to at least three Business Days' advance notice to the Lenders under such Facility, instead of prepaying the Loans to be replaced, to (i) require the Lenders under such Facility to assign such Loans to the Administrative Agent or its designees and (ii) amend the terms thereof in accordance with Section 11.1. Pursuant to any such assignment, all Loans to be replaced shall be purchased at par (allocated among the Lenders under such Facility in the same manner as would be required if such Loans were being optionally prepaid by the Borrower), accompanied by payment of any accrued interest and fees thereon and any amounts owing pursuant to Section 4.12. By receiving such purchase price, the Lenders under such Facility shall automatically be deemed to have assigned the Loans under such Facility pursuant to the terms of the form of the Assignment and Acceptance, the Administrative Agent shall record such assignment in the Register and accordingly no other action by such Lenders shall be required in connection therewith. The provisions of this clause (g) are intended to facilitate the maintenance of the

perfection and priority of existing security interests in the Collateral during any such replacement.

(h) (i) Notwithstanding anything to the contrary contained herein, any Parent, Holdings, the Borrower and any Subsidiary may, from time to time, purchase or prepay Loans, in each case, on a non-pro rata basis through (1) Dutch auction procedures open to all applicable Lenders on a pro rata basis in accordance with customary procedures to be agreed between the Borrower and the Administrative Agent (or other applicable agent managing such auction); provided that (A) any such Dutch auction by the Borrower or its Subsidiaries shall be made in accordance with Section 4.4(h) and (B) any such Dutch auction by any Parent shall be made on terms substantially similar to Section 4.4(h) or on other terms to be agreed between such Parent and the Administrative Agent (or other applicable agent managing such auction) or (2) open market purchases; provided further that:

(1) such Affiliated Lender and such other Lender shall execute and deliver to the Administrative Agent an assignment agreement substantially in the form of Exhibit I hereto (an “Affiliated Lender Assignment and Assumption”) and the Administrative Agent shall record such assignment in the Register;

(2) at the time of such assignment after giving effect to such assignment, the aggregate principal amount of all Term Loans held (or participated in) by Affiliated Lenders that are not Affiliated Debt Funds shall not exceed 25.0% of the aggregate principal amount of all Term Loans outstanding under this Agreement;

(3) any such Term Loans acquired by an Affiliated Lender may, with the consent of the Borrower, be contributed to the Borrower, whether through a Parent or otherwise, and exchanged for debt or equity securities of the Borrower or such Parent that are otherwise permitted to be issued at such time pursuant to the terms of this Agreement, so long as any Term Loans so acquired by the Borrower shall be retired and cancelled promptly upon the acquisition thereof; and

(4) any Term Loans acquired by Holdings or any of its Subsidiaries shall be cancelled and retired immediately upon the acquisition thereof.

(ii) Notwithstanding anything to the contrary in this Agreement, no Affiliated Lender that is not an Affiliated Debt Fund shall have any right to (A) attend (including by telephone) any meeting or discussions (or portion thereof) among the Administrative Agent or any Lender to which representatives of the Loan Parties are not invited, (B) receive any information or material prepared by the Administrative Agent or any Lender or any communication by or among the Administrative Agent and/or one or more Lenders, except to the extent such information or materials have been made available to the Borrower or its representatives or (C) receive advice of counsel to the Administrative Agent, the Collateral Agent or any other Lender or challenge their attorney client privilege.

(iii) Notwithstanding anything in Section 11.1 or the definition of “Required Lenders” to the contrary, for purposes of determining whether the Required Lenders, all affected Lenders or all Lenders have (A) consented (or not consented) to any amendment or waiver of any provision of this Agreement or any other Loan Document or any departure by any Loan Party therefrom, (B) otherwise acted on any matter related to any Loan Document, or (C) directed or required the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, an Affiliated Lender that is not an Affiliated Debt Fund shall be deemed to have voted its interest as a Lender without discretion in the same proportion as the allocation of voting with respect to such matter by Lenders who are not such Affiliated Lenders; provided that, (I) to the extent Lenders are being compensated by the Borrower for consenting to an amendment, modification, waiver, consent or other action, each Affiliated Lender who has been deemed to have voted its Loans in accordance with this Section 11.6(h)(iii) shall be entitled to be compensated on the same basis as each consenting Lender as if it had voted all of its Loans in favor of the applicable amendment, modification, waiver, consent or other action; and (II) no amendment, modification, waiver, consent or other action with respect to any Loan Document shall deprive such Affiliated Lender of its ratable share of any payments of Term Loans of any class to which such Affiliated Lender is entitled under the Loan Documents without such Affiliated Lender providing its consent; provided, further, that such Affiliated Lender shall have the right to approve any amendment, modification, waiver or consent that (x) disproportionately and adversely affects such Affiliated Lender or affects such Affiliated Lender differently than other Lenders or (y) is of the type described in Sections 11.1(a)(i) through (ix) (other than subclauses (v) and (vi)); and in furtherance of the foregoing, (x) the Affiliated Lender agrees to execute and deliver to the Administrative Agent any instrument reasonably requested by the Administrative Agent to evidence the voting of its interest as a Lender in accordance with the provisions of this Section 11.6(h)(iii); provided that if the Affiliated Lender fails to promptly execute such instrument such failure shall in no way prejudice any of the Administrative Agent’s rights under this Section 11.6(h)(iii) and (y) the Administrative Agent is hereby appointed (such appointment being coupled with an interest) by such Affiliated Lender as such Affiliated Lender’s attorney-in-fact, with full authority in the place and stead of such Affiliated Lender and in the name of such Affiliated Lender, from time to time in the Administrative Agent’s discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this Section 11.6(h)(iii).

(iv) Each Affiliated Lender that is not an Affiliated Debt Fund, solely in its capacity as a Lender, hereby agrees, and each Affiliated Lender Assignment and Assumption agreement shall provide a confirmation that, if any of the Borrower or any Restricted Subsidiary shall be subject to any voluntary or involuntary bankruptcy, reorganization, insolvency or liquidation proceeding (each, a “Bankruptcy Proceeding”), (i) such Affiliated Lender shall not take any step or action in such Bankruptcy Proceeding to object to, impede, or delay the exercise of any right or the taking of any action by the Administrative Agent (or the taking of any action by a third party that is supported by the Administrative Agent) in relation to such Affiliated Lender’s claim with respect to its Term Loans (“Claim”) (including objecting to any debtor in possession financing, use of



cash collateral, grant of adequate protection, sale or disposition, compromise, or plan of reorganization) so long as such Affiliated Lender is treated in connection with such exercise or action on the same or better terms as the other Lenders and (ii) with respect to any matter requiring the vote of Lenders during the pendency of a Bankruptcy Proceeding (including voting on any plan of reorganization), the Term Loans held by such Affiliated Lender (and any Claim with respect thereto) shall be deemed to be voted in accordance with Section 11.6(h)(iii) above, so long as such Affiliate Lender is treated in connection with the exercise of such right or taking of such action on the same or better terms as the other Lenders. For the avoidance of doubt, the Lenders and each Affiliated Lender that is not an Affiliated Debt Fund agree and acknowledge that the provisions set forth in this Section 11.6(h)(iv) and the related provisions set forth in each Affiliated Lender Assignment and Assumption constitute a “subordination agreement” as such term is contemplated by, and utilized in, Section 510(a) of the United States Bankruptcy Code, and, as such, it is their intention that this Section 11.6(h)(iv) would be enforceable for all purposes in any case where the Borrower or any Restricted Subsidiary has filed for protection under any law relating to bankruptcy, insolvency or reorganization or relief of debtors applicable to the Borrower or such Restricted Subsidiary, as applicable. Each Affiliated Lender that is not an Affiliated Debt Fund hereby irrevocably appoints the Administrative Agent (such appointment being coupled with an interest) as such Affiliated Lender’s attorney-in-fact, with full authority in the place and stead of such Affiliated Lender and in the name of such Affiliated Lender (solely in respect of Term Loans and participations therein and not in respect of any other claim or status such Affiliated Lender may otherwise have), from time to time in the Administrative Agent’s discretion to take any action and to execute any instrument that the Administrative Agent may deem reasonably necessary to carry out the provisions of this Section 11.6(h)(iv).

(v) Each Lender making an assignment to, or taking an assignment from, an Affiliated Lender (so long as such Affiliated Lender identifies itself as such to such Lender) acknowledges and agrees that in connection with such assignment, (1) such Affiliated Lender then may have, and later may come into possession of Excluded Information, (2) such Lender has independently and, without reliance on the Affiliated Lender, Warner Music Group Corp., Holdings, the Borrower, any of its Subsidiaries, the Administrative Agent or any of their respective Affiliates, has made its own analysis and determination to enter into such assignment notwithstanding such Lender’s lack of knowledge of the Excluded Information and (3) none of Warner Music Group Corp., Holdings, the Borrower, its Subsidiaries, the Administrative Agent, or any of their respective Affiliates shall have any liability to such Lender, and such Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against Warner Music Group Corp., Holdings, the Borrower, its Subsidiaries, the Administrative Agent, and their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. Each Lender entering into such an assignment further acknowledges that the Excluded Information may not be available to the Administrative Agent or the other Lenders.

(i) Notwithstanding anything to the contrary in this Agreement, Section 11.1 or the definition of “Required Lenders” (x) with respect to any assignment or participation to or

by an Affiliated Debt Fund, such assignment or participation shall be made pursuant to an open market purchase and (y) for purposes of determining whether the Required Lenders have (i) consented (or not consented) to any amendment, modification, waiver, consent or other action with respect to any of the terms of any Loan Document or any departure by any Loan Party therefrom, (ii) otherwise acted on any matter related to any Loan Document, or (iii) directed or required the Administrative Agent, Collateral Agent or any Lender to undertake any action (or refrain from taking any action) with respect to or under any Loan Document, all Term Loans held by Affiliated Debt Funds may not account for more than 50.0% of the Term Loans of consenting Lenders included in determining whether the Required Lenders have consented to any action pursuant to Section 11.1.

(j) Notwithstanding the foregoing provisions of this Section 11.6, nothing in this Section 11.6 is intended to or should be construed to limit the Borrower's right to prepay the Term Loans as provided hereunder, including under Section 4.4.

**11.7 Adjustments; Set-off; Calculations; Computations.** (a) If any Lender (a "Benefited Lender") shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 9.1(f), or otherwise (except pursuant to Section 2.7, 2.8, 4.4, 4.9, 4.10, 4.11, 4.12, 4.13(d), 11.1(g) or 11.6)), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans owing to it, or interest thereon, such Benefited Lender shall purchase for cash from the other Lenders an interest (by participation, assignment or otherwise) in such portion of each such other Lender's Loans owing to it, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) In addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon the occurrence of an Event of Default under Section 9.1(a) or the Loans becoming due and payable pursuant to Section 9.2 to set-off and appropriate and apply against any amount then due and payable under Section 9.1(a) by the Borrower any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application.

**11.8 Judgment.** (a) If, for the purpose of obtaining or enforcing judgment against any Loan Party in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 11.8 referred to as the



“Judgment Currency”) an amount due under any Loan Document in any currency (the “Obligation Currency”) other than the Judgment Currency, the conversion shall be made at the rate of exchange prevailing on the Business Day immediately preceding the date of actual payment of the amount due, in the case of any proceeding in the courts of any other jurisdiction that will give effect to such conversion being made on such date, or the date on which the judgment is given, in the case of any proceeding in the courts of any other jurisdiction (the applicable date as of which such conversion is made pursuant to this Section 11.8 being hereinafter in this Section 11.8 referred to as the “Judgment Conversion Date”).

(b) If, in the case of any proceeding in the court of any jurisdiction referred to in Section 11.8(a), there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual receipt for value of the amount due, the applicable Loan Party shall pay such additional amount (if any, but in any event not a lesser amount) as may be necessary to ensure that the amount actually received in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency which could have been purchased with the amount of the Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date. Any amount due from any Loan Party under this Section 11.8(b) shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of any of the Loan Documents.

(c) The term “rate of exchange” in this Section 11.8 means the rate of exchange at which the Administrative Agent, on the relevant date at or about 12:00 noon (New York time), would be prepared to sell, in accordance with its normal course foreign currency exchange practices, the Obligation Currency against the Judgment Currency.

11.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of such counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be delivered to the Borrower and the Administrative Agent.

11.10 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11.11 Integration. This Agreement and the other Loan Documents represent the entire agreement of each of the Loan Parties party hereto, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by any of the Loan Parties party hereto, the Administrative Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

11.12 Governing Law. THIS AGREEMENT AND ANY NOTES AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT AND ANY

NOTES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ITS PRINCIPLES OR RULES OF CONFLICT OF LAWS TO THE EXTENT SUCH PRINCIPLES OR RULES ARE NOT MANDATORILY APPLICABLE BY STATUTE AND WOULD REQUIRE OR PERMIT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

11.13 Submission to Jurisdiction; Waivers. Each party hereto hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party to the exclusive general jurisdiction of the Supreme Court of the State of New York for the County of New York (the "New York Supreme Court"), and the United States District Court for the Southern District of New York (the "Federal District Court," and together with the New York Supreme Court, the "New York Courts") and appellate courts from either of them; provided that nothing in this Agreement shall be deemed or operate to preclude (i) any Agent from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Term Loan Facility Obligations (in which case any party shall be entitled to assert any claim or defense, including any claim or defense that this Section 11.13 would otherwise require to be asserted in a legal action or proceeding in a New York Court), or to enforce a judgment or other court order in favor of the Administrative Agent or the Collateral Agent, (ii) any party from bringing any legal action or proceeding in any jurisdiction for the recognition and enforcement of any judgment, (iii) if all such New York Courts decline jurisdiction over any Person, or decline (or in the case of the Federal District Court, lack) jurisdiction over any subject matter of such action or proceeding, a legal action or proceeding may be brought with respect thereto in another court having jurisdiction and (iv) in the event a legal action or proceeding is brought against any party hereto or involving any of its assets or property in another court (without any collusive assistance by such party or any of its Subsidiaries or Affiliates), such party from asserting a claim or defense (including any claim or defense that this Section 11.13(a) (after giving effect to the applicability of clauses (i) through (iii) of this proviso) would otherwise require to be asserted in a legal proceeding in a New York Court) in any such action or proceeding.

(b) consents that any such action or proceeding may be brought in such courts, agrees, subject to clauses (i) through (iii) of the proviso to Section 11.13(a) above, to bring any such action or proceeding in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient forum and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Borrower, the applicable Lender or the Administrative Agent, as the case may be, at the address specified in Section 11.2 or at

such other address of which the Administrative Agent, any such Lender and the Borrower shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or (subject to clause (a) above) shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 11.13 any consequential or punitive damages.

11.14 Acknowledgements. The Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

(b) neither any Agent nor any Other Representative or Lender has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Administrative Agent and Lenders, on the one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of creditor and debtor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby and thereby among the Lenders or among the Borrower and the Lenders.

11.15 Waiver Of Jury Trial. EACH OF THE BORROWER, THE AGENTS AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY NOTES OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

11.16 Confidentiality. (a) Each Agent and each Lender agrees to keep confidential any information (a) provided to it by or on behalf of the Borrower or any of their respective Subsidiaries pursuant to or in connection with the Loan Documents or (b) obtained by such Lender based on a review of the books and records of the Borrower or any of their respective Subsidiaries; provided that nothing herein shall prevent any Lender from disclosing any such information (i) to any Agent, any Other Representative or any other Lender, (ii) to any Transferee, or prospective Transferee or any creditor or any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations which agrees to comply with the provisions of this Section 11.16 pursuant to a written instrument (or electronically recorded agreement from any Person listed above in this clause (ii), in respect to any electronic information (whether posted or otherwise distributed on any Platform)) for the benefit of the Borrower (it being understood that each relevant Lender shall be solely responsible for obtaining such instrument (or such electronically recorded agreement)), (iii) to its Affiliates and the employees, officers, partners, directors, agents, attorneys, accountants and other professional advisors of it and its Affiliates, provided that such Lender shall inform each such Person of the agreement under this Section 11.16 and take reasonable actions to cause

compliance by any such Person referred to in this clause (iii) with this agreement (including, where appropriate, to cause any such Person to acknowledge its agreement to be bound by the agreement under this Section 11.16), (iv) upon the request or demand of any Governmental Authority having jurisdiction over such Lender or its affiliates or to the extent required in response to any order of any court or other Governmental Authority or as shall otherwise be required pursuant to any Requirement of Law, provided that, other than with respect to any disclosure to any bank regulatory authority, such Lender shall, unless prohibited by any Requirement of Law, notify the Borrower of any disclosure pursuant to this clause (iv) as far in advance as is reasonably practicable under such circumstances, (v) which has been publicly disclosed other than in breach of this Agreement, (vi) in connection with the exercise of any remedy hereunder, under any Loan Document or under any Interest Rate Agreement, (vii) in connection with periodic regulatory examinations and reviews conducted by the National Association of Insurance Commissioners or any Governmental Authority having jurisdiction over such Lender or its affiliates (to the extent applicable), (viii) in connection with any litigation to which such Lender (or, with respect to any Interest Rate Agreement, any Affiliate of any Lender party thereto) may be a party subject to the proviso in clause (iv) above, and (ix) if, prior to such information having been so provided or obtained, such information was already in an Agent's or a Lender's possession on a non-confidential basis without a duty of confidentiality to the Borrower being violated. In addition, the Administrative Agent may disclose (i) the existence of this Agreement, the global amount, currency and maturity date of any Facility hereunder, and the legal name, country of domicile and jurisdiction of organization of the Borrower, to (i) the CUSIP Bureau and other similar market data collectors or service providers to the lending industry, provided that either such information shall have been previously made publicly available by the Borrower, or the Administrative Agent shall have obtained the written consent of the Borrower (such consent not to be unreasonably withheld or delayed), prior to making such disclosure, and (ii) information about this Agreement to service providers to the Administrative Agent to the extent customary in connection with the administration and management of this Agreement, the other Loan Documents, the Initial Term Loan Commitments, the Tranche B Term Loan Commitments, Tranche C Term Loan Commitments, Tranche D Term Loan Commitments, Tranche E Term Loan Commitments, Tranche F Term Loan Commitments, Tranche G Term Loan Commitments, ~~the Tranche H Term Loan Commitments~~, the Incremental Commitments, and the Loans, provided that any such Person is advised of and agrees to be bound by the provisions of this Section 11.16 and the Administrative Agent takes reasonable actions to cause such Person to comply herewith. Notwithstanding any other provision of this Agreement, any other Loan Document or any Assignment and Acceptance, the provisions of this Section 11.16 shall survive with respect to each Agent and Lender until the second anniversary of such Agent or Lender ceasing to be an Agent or a Lender, respectively.

(b) Each Lender acknowledges that any such information referred to in Section 11.16(a), and any information (including requests for waivers and amendments) furnished by the Borrower or the Administrative Agent pursuant to or in connection with this Agreement and the other Loan Documents, may include material non-public information concerning the Borrower, the other Loan Parties and their respective Affiliates or their respective securities. Each Lender represents and confirms that such Lender has developed compliance procedures regarding the use of material non-public information; that such Lender will handle such material non-public information in accordance with those procedures and applicable law, including United States federal and state securities laws; and that such Lender has identified to

the Administrative Agent a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law.

11.17 Incremental Indebtedness; Additional Indebtedness. In connection with the incurrence by any Loan Party or any Subsidiary thereof of any Incremental Indebtedness or Additional Indebtedness, each of the Administrative Agent and the Collateral Agent agree to execute and deliver amendments, waivers, supplements or other modifications to the Security Agreement, the Junior Lien Intercreditor Agreement or any Other Intercreditor Agreement or any Intercreditor Agreement Supplement and amendments, amendments and restatements, restatements or waivers of or supplements to or other modifications to, any Security Document (including but not limited to any Mortgages and UCC fixture filings), and to make or consent to any filings or take any other actions in connection therewith, as may be reasonably deemed by the Borrower to be necessary or reasonably desirable for any Lien on the assets of any Loan Party permitted to secure such Incremental Indebtedness or Additional Indebtedness to become a valid, perfected lien (with such priority as may be designated by the relevant Loan Party or Subsidiary, to the extent such priority is permitted by the Loan Documents) pursuant to the Security Document being so amended, amended and restated, restated, waived, supplemented or otherwise modified or otherwise.

11.18 USA Patriot Act Notice. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub.L. 107-56 (signed into law October 26, 2001)) (the “Patriot Act”), it is required to obtain, verify, and record information that identifies the Borrower and the other Loan Parties, which information includes the name of the Borrower and the other Loan Parties and other information that will allow such Lender to identify the Borrower and the other Loan Parties in accordance with the Patriot Act, and the Borrower agrees to provide such information from time to time to any Lender.

11.19 Electronic Execution of Assignments and Certain Other Documents. The words “execution”, “execute”, “signed”, “signature”, and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including, without limitation, any Assignment and Acceptance or Affiliated Lender Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents)) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

11.20 Reinstatement. This Agreement shall remain in full force and effect and continue to be effective should any petition or other proceeding be filed by or against any Loan Party for liquidation or reorganization, should any Loan Party become insolvent or make an assignment for the benefit of any creditor or creditors or should an interim receiver, receiver, receiver and manager or trustee be appointed for all or any significant part of any Loan Party’s assets, and shall continue to be effective or to be reinstated, as the case may be, if at any time payment and performance of the obligations of the Borrower under the Loan Documents, or any

part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the obligations, whether as a fraudulent preference, reviewable transaction or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the obligations of the Borrower hereunder shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

11.21 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and
- (b) the effects of any Bail-in Action on any such liability, including, if applicable:
  - (i) a reduction in full or in part or cancellation of any such liability;
  - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
  - (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

#### 11.22 Acknowledgement Regarding Any Supported QFCs.

(a) To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Secured Hedge Agreements or any other agreement or instrument that is a QFC (such support, “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(b) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support

(and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

[SIGNATURE PAGES FOLLOW]

- 191 -

[#94013791v1296130652v5](#)  
[+008495241v11008495241v6](#)  
[#96130652v7](#)

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

WMG ACQUISITION CORP.

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

Name: Paul M. Robinson  
Title: Executive Vice President, General  
Counsel and Secretary

[Signature Page to WMG Term Loan Credit Agreement]

[1008495241v6](#)  
~~#94013791v12~~[96130652v7](#)  
~~1008495241v1~~



CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, as Administrative Agent  
and Lender

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

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

[Signature Page to WMG Term Loan Credit Agreement]

[1008495241v6](#)  
~~#94013791v12~~[96130652v7](#)  
~~1008495241v1~~

**ANNEX II**

**Exhibits to Credit Agreement**

#96130611v6  
#96130611v11

FORM OF ACCEPTANCE AND PREPAYMENT NOTICE

CREDIT SUISSE AG,  
as Administrative Agent under the  
Credit Agreement referred to below

[ ]

[DATE]

Attention: [ ]

Re: WMG ACQUISITION CORP.

This Acceptance and Prepayment Notice is delivered to you pursuant to Section 4.4(h)(iv) of that certain Credit Agreement dated as of November 1, 2012 (together with all exhibits and schedules thereto and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among WMG ACQUISITION CORP., a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties thereto (the "Lenders"), and CREDIT SUISSE AG, as administrative agent (in such capacity, the "Administrative Agent") for the Lenders. Capitalized terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

Pursuant to Section 4.4(h)(iv) of the Credit Agreement, the Borrower hereby notifies you that it accepts offers delivered in response to the Solicited Discounted Prepayment Notice having an Offered Discount equal to or greater than [●]% (the "Acceptable Discount") in an aggregate amount not to exceed the Solicited Discounted Prepayment Amount.

The Borrower expressly agrees that this Acceptance and Prepayment Notice and is subject to the provisions of Section 4.4(h) of the Credit Agreement.

The Borrower hereby represents and warrants to the Administrative Agent [,][and] [the Lenders of the Initial Term Loans] [the Lenders of the Tranche B Term Loans] [the Lenders of the Tranche C Term Loans] [the Lenders of the Tranche D Term Loans] [the Lenders of the Tranche E Term Loans] [the Lenders of the Tranche F Term Loans] [the Lenders of the Tranche G Term Loans] [the Lenders of the Tranche H Term Loans] [[and]] the Lenders of the [●, 20●]<sup>1</sup> Tranche[s]] as follows:

[At least ten Business Days have passed since the consummation of the most recent Discounted Term Loan Prepayment as a result of a prepayment made by the Borrower on the applicable Discounted Prepayment Effective Date.][At least three Business Days have

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<sup>1</sup> List multiple Tranches if applicable.

passed since the date the Borrower was notified that no Lender was willing to accept any prepayment of any Term Loan at the Specified Discount, within the Discount Range or at any discount to par value, as applicable, or in the case of Borrower Solicitation of Discounted Prepayment Offers, the date of the Borrower's election not to accept any Solicited Discounted Prepayment Offers made by a Lender.]<sup>2</sup>

The Borrower acknowledges that the Administrative Agent and the relevant Lenders are relying on the truth and accuracy of the foregoing representations and warranties in connection with the acceptance of any prepayment made in connection with a Solicited Discounted Prepayment Offer.

The Borrower requests that Administrative Agent promptly notify each of the relevant Lenders party to the Credit Agreement of this Acceptance and Prepayment Notice.

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<sup>2</sup> Insert applicable representation.

IN WITNESS WHEREOF, the undersigned has executed this Acceptance and Prepayment Notice as of the date first above written.

WMG ACQUISITION CORP.

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

#90827483v3

FORM OF DISCOUNT RANGE PREPAYMENT NOTICE

CREDIT SUISSE AG,  
as Administrative Agent under the  
Credit Agreement referred to below

[ ]

[DATE]

Attention: [ ]

Re: WMG ACQUISITION CORP.

This Discount Range Prepayment Notice is delivered to you pursuant to Section 4.4(h)(iii) of that certain Credit Agreement dated as of November 1, 2012 (together with all exhibits and schedules thereto and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among WMG ACQUISITION CORP., a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties thereto (the "Lenders"), CREDIT SUISSE AG, as administrative agent (in such capacity, the "Administrative Agent") for the Lenders. Capitalized terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

Pursuant to Section 4.4(h)(iii) of the Credit Agreement, the Borrower hereby requests that each [Lender of the Initial Term Loans] [Lender of the Tranche B Term Loans] [the Lenders of the Tranche C Term Loans] [the Lenders of the Tranche D Term Loans] [the Lenders of the Tranche E Term Loans] [the Lenders of the Tranche F Term Loans] [the Lenders of the Tranche G Term Loans] [Lender of the Tranche H Term Loans] [[and] each Lender of the [●, 20●]<sup>3</sup> Tranche[s]] submit a Discount Range Prepayment Offer. Any Discounted Term Loan Prepayment made in connection with this solicitation shall be subject to the following terms:

1. This Borrower Solicitation of Discount Range Prepayment Offers is extended at the sole discretion of the Borrower to each [Lender of the Initial Term Loans] [Lender of the Tranche B Term Loans] [Lender of the Tranche C Term Loans] [Lender of the Tranche D Term Loans] [the Lenders of the Tranche E Term Loans] [Lender of the Tranche F Term Loans] [Lender of the Tranche G Term Loans] [Lender of the Tranche H Term Loans] [[and to each] Lender of the [●, 20●]<sup>4</sup> Tranche[s]].
2. The maximum aggregate Outstanding Amount of the Discounted Term Loan Prepayment that will be made in connection with this solicitation is [\$●] of Initial Term Loans] [\$●] of Tranche B Term Loans] [\$●] of Tranche C Term Loans] [\$●] of

<sup>3</sup> List multiple Tranches if applicable.

<sup>4</sup> List multiple Tranches if applicable.

Tranche D Term Loans] [\$(●)] of Tranche E Term Loans] [\$(●)] of Tranche F Term Loans] [\$(●)] of Tranche G Term Loans] [\$(●)] of Tranche H Term Loans] [[and] \$(●)] of the [●, 20●]<sup>5</sup> Tranche[s)] of Incremental Term Loans] (the “Discount Range Prepayment Amount”).<sup>6</sup>

3. The Borrower is willing to make Discount Term Loan Prepayments at a percentage discount to par value greater than or equal to [●]% but less than or equal to [●]% (the “Discount Range”).

To make an offer in connection with this solicitation, you are required to deliver to the Administrative Agent a Discount Range Prepayment Offer on or before 5:00 p.m. New York time on the date that is three Business Days following the dated delivery of the notice pursuant to Section 4.4(h)(i) of the Credit Agreement.

The Borrower hereby represents and warrants to the Administrative Agent and the [Lenders] [[and the] Lenders of the [●, 20●]<sup>7</sup> Tranche[s]] as follows:

1. [At least ten Business Days have passed since the consummation of the most recent Discounted Term Loan Prepayment as a result of a prepayment made by the Borrower on the applicable Discounted Prepayment Effective Date.] [At least three Business Days have passed since the date the Borrower was notified that no Lender was willing to accept any prepayment of any Term Loan at the Specified Discount, within the Discount Range or at any discount to par value, as applicable, or in the case of Borrower Solicitation of Discounted Prepayment Offers, the date of the Borrower’s election not to accept any Solicited Discounted Prepayment Offers made by a Lender.]<sup>8</sup>

The Borrower acknowledges that the Administrative Agent and the relevant Lenders are relying on the truth and accuracy of the foregoing representations and warranties in connection with any Discount Range Prepayment Offer made in response to this Discount Range Prepayment Notice and the acceptance of any prepayment made in connection with this Discount Range Prepayment Notice.

The Borrower requests that Administrative Agent promptly notify each of the relevant Lenders party to the Credit Agreement of this Discount Range Prepayment Notice.

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<sup>5</sup> List multiple Tranches if applicable.

<sup>6</sup> Minimum of \$5.0 million and whole increments of \$500,000.

<sup>7</sup> List multiple Tranches if applicable.

<sup>8</sup> Insert applicable representation.

IN WITNESS WHEREOF, the undersigned has executed this Discount Range Prepayment Notice as of the date first above written.

WMG ACQUISITION CORP.

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

Enclosure: Form of Discount Range Prepayment Offer

#90827483v3



FORM OF DISCOUNT RANGE PREPAYMENT OFFER

CREDIT SUISSE AG,  
as Administrative Agent under the  
Credit Agreement referred to below

[ ]

[DATE]

Attention: [ ]

Re: WMG ACQUISITION CORP.

Reference is made to (a) that certain Credit Agreement dated as of November 1, 2012 (together with all exhibits and schedules thereto and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among WMG ACQUISITION CORP., a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties thereto (the "Lenders"), CREDIT SUISSE AG, as administrative agent (in such capacity, the "Administrative Agent") for the Lenders and (b) that certain Discount Range Prepayment Notice, dated \_\_\_\_\_, 20\_\_\_\_, from the Borrower (the "Discount Range Prepayment Notice"). Capitalized terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

The undersigned Lender hereby gives you irrevocable notice, pursuant to Section 4.4(h)(iii) of the Credit Agreement, that it is hereby offering to accept a Discounted Term Loan Prepayment on the following terms:

1. This Discount Range Prepayment Offer is available only for prepayment on the [Initial Term Loans] [Tranche B Term Loans] [Tranche C Term Loans] [Tranche D Term Loans] [Tranche E Term Loans] [Tranche F Term Loans] [Tranche G Term Loans] [Tranche H Term Loans] [[and the] [●, 20●]<sup>9</sup> Tranche[s]] held by the undersigned.
2. The maximum aggregate Outstanding Amount of the Discounted Term Loan Prepayment that may be made in connection with this offer shall not exceed (the "Submitted Amount"):

[Initial Term Loans - \$[●]]

[Tranche B Term Loans - \$[●]]

[Tranche C Term Loans - \$[●]]

[Tranche D Term Loans - \$[●]]

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<sup>9</sup> List multiple Tranches if applicable.

[Tranche E Term Loans - \$[●]]

[Tranche F Term Loans - \$[●]]

[Tranche G Term Loans - \$[●]]

[Tranche H Term Loans - \$[●]]

[[●, 20●]<sup>10</sup> Tranche[s] - \$[●]]

3. The percentage discount to par value at which such Discounted Term Loan Prepayment may be made is [●]% (the “Submitted Discount”).

The undersigned Lender hereby expressly consents and agrees to a prepayment of its [Initial Term Loans] [Tranche B Term Loans] [Tranche C Term Loans] [Tranche D Term Loans] [Tranche E Term Loans] [Tranche F Term Loans] [Tranche G Term Loans] [Tranche H Term Loans] [[and its] [●, 20●]<sup>11</sup> Tranche[s]] indicated above pursuant to Section 4.4(h) of the Credit Agreement at a price equal to the Applicable Discount and in an aggregate Outstanding Amount not to exceed the Submitted Amount, as such amount may be reduced in accordance with the Discount Range Proration, if any, and as otherwise determined in accordance with and subject to the requirements of the Credit Agreement.

The undersigned Lender further acknowledges and agrees that (1) the Borrower may have, and may come into possession of information regarding the Term Loans or the Loan Parties hereunder that is not known to such Lender and that may be material to the decision by such Lender to accept the Discounted Term Loan Prepayment (“Excluded Information”), (2) such Lender independently and, without reliance on the Borrower, any of its Subsidiaries, the Administrative Agent or any of their respective Affiliates, has made its own analysis and determination to participate in the Discounted Term Loan Prepayment notwithstanding such Lender’s lack of knowledge of the Excluded Information, and (3) none of the Borrower, its Subsidiaries, the Administrative Agent, or any of their respective Affiliates shall have any liability to such Lender, and the undersigned Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against the Borrower, its Subsidiaries, the Administrative Agent, and their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. The undersigned Lender further acknowledges that the Excluded Information may not be available to the Administrative Agent or the other Lenders.

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<sup>10</sup> List multiple Tranches if applicable.

<sup>11</sup> List multiple Tranches if applicable.

IN WITNESS WHEREOF, the undersigned has executed this Discount Range Prepayment Offer as of the date first above written.

[     ]   
By: \_\_\_   
Name   
Title:

By: \_\_\_   
Name   
Title:

#90827483v3

FORM OF SOLICITED DISCOUNTED PREPAYMENT NOTICE

CREDIT SUISSE AG,  
as Administrative Agent under the  
Credit Agreement referred to below

[ ]

[DATE]

Attention: [ ]

Re: WMG ACQUISITION CORP.

This Solicited Discounted Prepayment Notice is delivered to you pursuant to Section 4.4(h)(iv) of that certain Credit Agreement dated as of November 1, 2012 (together with all exhibits and schedules thereto and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among WMG ACQUISITION CORP., a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties thereto (the "Lenders"), CREDIT SUISSE AG, as administrative agent (in such capacity, the "Administrative Agent") for the Lenders. Capitalized terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

Pursuant to Section 4.4(h)(iv) of the Credit Agreement, the hereby requests that [each Lender of the Initial Term Loans] [each Lender of the Tranche B Term Loans] [each Lender of the Tranche C Term Loans] [each Lender of the Tranche D Term Loans] [each Lender of the Tranche E Term Loans] [each Lender of the Tranche F Term Loans] [each Lender of the Tranche G Term Loans] [each Lender of the Tranche H Term Loans] [[and] each Lender of the [●, 20●]<sup>12</sup> Tranche[s]] submit a Solicited Discounted Prepayment Offer. Any Discounted Term Loan Prepayment made in connection with this solicitation shall be subject to the following terms:

1. This Borrower Solicitation of Discounted Prepayment Offers is extended at the sole discretion of the Borrower to each [Lender of the Initial Term Loans] [Lender of the Tranche B Term Loans] [Lender of the Tranche C Term Loans] [Lender of the Tranche D Term Loans] [Lender of the Tranche E Term Loans] [Lender of the Tranche F Term Loans] [Lender of the Tranche G Term Loans] [Lender of the Tranche H Term Loans] [[and to each] Lender of the [●, 20●]<sup>13</sup> Tranche[s]].

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<sup>12</sup> List multiple Tranches if applicable.

<sup>13</sup> List multiple Tranches if applicable.

2. The maximum aggregate Outstanding Amount of the Discounted Term Loan Prepayment that will be made in connection with this solicitation is (the “Solicited Discounted Prepayment Amount”):<sup>14</sup>

[Initial Term Loans - \$[●]]

[Tranche B Term Loans - \$[●]]

[Tranche C Term Loans - \$[●]]

[Tranche D Term Loans - \$[●]]

[Tranche E Term Loans - \$[●]]

[Tranche F Term Loans - \$[●]]

[Tranche G Term Loans - \$[●]]

[Tranche H Term Loans - \$[●]]

[[●, 20●]<sup>15</sup> Tranche[s] - \$[●]]

To make an offer in connection with this solicitation, you are required to deliver to the Administrative Agent a Solicited Discounted Prepayment Offer on or before 5:00 p.m. New York time on the date that is three Business Days following delivery of this notice pursuant to Section 4.4(h)(iv) of the Credit Agreement.

The Borrower requests that Administrative Agent promptly notify each of the relevant Lenders party to the Credit Agreement of this Solicited Discounted Prepayment Notice.

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<sup>14</sup> Minimum of \$5.0 million and whole increments of \$500,000.

<sup>15</sup> List multiple Tranches if applicable.

IN WITNESS WHEREOF, the undersigned has executed this Solicited Discounted Prepayment Notice as of the date first above written.

WMG ACQUISITION CORP.

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

Enclosure: Form of Solicited Discounted Prepayment Offer

#90827483v3

FORM OF SOLICITED DISCOUNTED PREPAYMENT OFFER

CREDIT SUISSE AG,  
as Administrative Agent under the  
Credit Agreement referred to below

[ ]

[DATE]

Attention: [ ]

Re: WMG ACQUISITION CORP.

Reference is made to (a) that certain Credit Agreement dated as of November 1, 2012 (together with all exhibits and schedules thereto and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among WMG ACQUISITION CORP., a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties thereto (the "Lenders"), CREDIT SUISSE AG, as administrative agent (in such capacity, the "Administrative Agent") for the Lenders and (b) that certain Solicited Discounted Prepayment Notice, dated \_\_\_\_\_, 20\_\_\_\_, from the Borrower (the "Solicited Discounted Prepayment Notice"). Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Solicited Discounted Prepayment Notice or, to the extent not defined therein, in the Credit Agreement.

To accept the offer set forth herein, you must submit an Acceptance and Prepayment Notice on or before the third Business Day following your receipt of this notice.

The undersigned Lender hereby gives you irrevocable notice, pursuant to Section 4.4(h)(iv) of the Credit Agreement, that it is hereby offering to accept a Discounted Term Loan Prepayment on the following terms:

1. This Solicited Discounted Prepayment Offer is available only for prepayment on the [Initial Term Loans] [Tranche B Term Loans] [Tranche C Term Loans] [Tranche D Term Loans] [Tranche E Term Loans] [Tranche F Term Loans] [Tranche G Term Loans] [Tranche H Term Loans] [[and the] [●, 20●]<sup>16</sup> Tranche[s]] held by the undersigned.
2. The maximum aggregate Outstanding Amount of the Discounted Term Loan Prepayment that may be made in connection with this offer shall not exceed (the "Offered Amount"):

[Initial Term Loans- \$[●]]

<sup>16</sup> List multiple Tranches if applicable.

[Tranche B Term Loans- \$[●]]

[Tranche C Term Loans- \$[●]]

[Tranche D Term Loans- \$[●]]

[Tranche E Term Loans- \$[●]]

[Tranche F Term Loans - \$[●]]

[Tranche G Term Loans - \$[●]]

[Tranche H Term Loans - \$[●]]

[[●, 20●]<sup>17</sup> Tranche[s] - \$[●]]

3. The percentage discount to par value at which such Discounted Term Loan Prepayment may be made is [●]% (the “Offered Discount”).

The undersigned Lender hereby expressly consents and agrees to a prepayment of its [Initial Term Loans] [Tranche B Term Loans] [Tranche C Term Loans] [Tranche D Term Loans] [Tranche E Term Loans] [Tranche F Term Loans] [Tranche G Term Loans] [Tranche H Term Loans] [[and its] [●, 20●]<sup>18</sup> Tranche[s]] pursuant to Section 4.4(h) of the Credit Agreement at a price equal to the Acceptable Discount and in an aggregate Outstanding Amount not to exceed such Lender’s Offered Amount as such amount may be reduced in accordance with the Solicited Discount Proration, if any, and as otherwise determined in accordance with and subject to the requirements of the Credit Agreement.

The undersigned Lender further acknowledges and agrees that (1) the Borrower may have, and may come into possession of information regarding the Term Loans or the Loan Parties hereunder that is not known to such Lender and that may be material to the decision by such Lender to accept the Discounted Term Loan Prepayment (“Excluded Information”), (2) such Lender independently and, without reliance on the Borrower, any of its Subsidiaries, the Administrative Agent or any of their respective Affiliates, has made its own analysis and determination to participate in the Discounted Term Loan Prepayment notwithstanding such Lender’s lack of knowledge of the Excluded Information, and (3) none of the Borrower, its Subsidiaries, the Administrative Agent, or any of their respective Affiliates shall have any liability to such Lender, and the undersigned Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against the Borrower, its Subsidiaries, the Administrative Agent, and their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. The undersigned Lender further acknowledges that the Excluded Information may not be available to the Administrative Agent or the other Lenders.

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<sup>17</sup> List multiple Tranches if applicable.

<sup>18</sup> List multiple Tranches if applicable.



IN WITNESS WHEREOF, the undersigned has executed this Solicited Discounted Prepayment Offer as of the date first above written.

[     ]  
By: \_\_\_  
Name  
Title:

By: \_\_\_  
Name  
Title:

#90827483v3

FORM OF SPECIFIED DISCOUNT PREPAYMENT NOTICE

CREDIT SUISSE AG,  
as Administrative Agent under the  
Credit Agreement referred to below

[ ]

[DATE]

Attention: [ ]

Re: WMG ACQUISITION CORP.

This Specified Discount Prepayment Notice is delivered to you pursuant to Section 4.4(h)(ii) of that certain Credit Agreement dated as of November 1, 2012 (together with all exhibits and schedules thereto and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among WMG ACQUISITION CORP., a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties thereto (the "Lenders"), CREDIT SUISSE AG, as administrative agent (in such capacity, the "Administrative Agent") for the Lenders). Capitalized terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

Pursuant to Section 4.4(h)(ii) of the Credit Agreement, the Borrower hereby offers to make a Discounted Term Loan Prepayment to each [Lender of the Initial Term Loans] [Lender of the Tranche B Term Loans] [Lender of the Tranche C Term Loans] [Lender of the Tranche D Term Loans] [Lender of the Tranche E Term Loans] [Lender of the Tranche F Term Loans] [Lender of the Tranche G Term Loans] [Lender of the Tranche H Term Loans] [[and to each] Lender of the [●, 20●]<sup>19</sup> Tranche[s]] on the following terms:

1. This Borrower Offer of Specified Discount Prepayment is available only to each [Lender of the Initial Term Loans] [Lender of the Tranche B Term Loans] [Lender of the Tranche C Term Loans] [Lender of the Tranche D Term Loans] [Lender of the Tranche E Term Loans] [Lender of the Tranche F Term Loans] [Lender of the Tranche G Term Loans] [Lender of the Tranche H Term Loans] [[and to each] Lender of the [●, 20●]<sup>20</sup> Tranche[s]].
2. The maximum aggregate Outstanding Amount of the Discounted Term Loan Prepayment that will be made in connection with this offer shall not exceed \$[●] of the [Initial Term Loans] [Tranche B Term Loans] [Tranche C Term Loans] [Tranche D Term Loans] [Tranche E Term Loans] [Tranche F Term Loans] [Tranche G Term Loans]

<sup>19</sup> List multiple Tranches if applicable.

<sup>20</sup> List multiple Tranches if applicable.

[Tranche H Term Loans] [[and \$[●] of the] [●, 20●]<sup>21</sup> Tranche[(s)] of Incremental Term Loans] (the “Specified Discount Prepayment Amount”).<sup>22</sup>

3. The percentage discount to par value at which such Discounted Term Loan Prepayment will be made is [●]% (the “Specified Discount”).

To accept this offer, you are required to submit to the Administrative Agent a Specified Discount Prepayment Response on or before 5:00 p.m. New York time on the date that is three (3) Business Days following the date of delivery of this notice pursuant to Section 4.4(h)(ii) of the Credit Agreement.

The Borrower hereby represents and warrants to the Administrative Agent [and the Lenders] [[and] each Lender of the [●, 20●]<sup>23</sup> Tranche[s]] as follows:

[At least ten Business Days have passed since the consummation of the most recent Discounted Term Loan Prepayment as a result of a prepayment made by the Borrower on the applicable Discounted Prepayment Effective Date.][At least three Business Days have passed since the date the Borrower was notified that no Lender was willing to accept any prepayment of any Term Loan at the Specified Discount, within the Discount Range or at any discount to par value, as applicable, or in the case of Borrower Solicitation of Discounted Prepayment Offers, the date of the Borrower’s election not to accept any Solicited Discounted Prepayment Offers made by a Lender.]<sup>24</sup>

The Borrower acknowledges that the Administrative Agent and the Lenders are relying on the truth and accuracy of the foregoing representations and warranties in connection with their decision whether or not to accept the offer set forth in this Specified Discount Prepayment Notice and the acceptance of any prepayment made in connection with this Specified Discount Prepayment Notice.

The Borrower requests that Administrative Agent promptly notify each of the relevant Lenders party to the Credit Agreement of this Specified Discount Prepayment Notice.

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<sup>21</sup> List multiple Tranches if applicable.

<sup>22</sup> Minimum of \$5.0 million and whole increments of \$500,000.

<sup>23</sup> List multiple Tranches if applicable.

<sup>24</sup> Insert applicable representation.

IN WITNESS WHEREOF, the undersigned has executed this Specified Discount Prepayment Notice as of the date first above written.

WMG ACQUISITION CORP.

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

Enclosure: Form of Specified Discount Prepayment Response

#90827483v3

FORM OF SPECIFIED DISCOUNT PREPAYMENT RESPONSE

CREDIT SUISSE AG,  
as Administrative Agent under the  
Credit Agreement referred to below

[ ]

[DATE]

Attention: [ ]

Re: WMG ACQUISITION CORP.

Reference is made to (a) that certain Credit Agreement dated as of November 1, 2012 (together with all exhibits and schedules thereto and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among WMG ACQUISITION CORP., a Delaware corporation (the "Borrower"), the several banks and other financial institutions from time to time parties thereto (the "Lenders"), CREDIT SUISSE AG, as administrative agent (in such capacity, the "Administrative Agent") for the Lenders and (b) that certain Specified Discount Prepayment Notice, dated \_\_\_\_\_, 20\_\_, from the Borrower (the "Specified Discount Prepayment Notice"). Capitalized terms used herein and not otherwise defined herein are used herein as defined in the Credit Agreement.

The undersigned Lender hereby gives you irrevocable notice, pursuant to Section 4.4(h)(ii) of the Credit Agreement, that it is willing to accept a prepayment of the following [Tranches of] Term Loans held by such Lender at the Specified Discount in an aggregate Outstanding Amount as follows:

[Initial Term Loans - \$[●]]

[Tranche B Term Loans - \$[●]]

[Tranche C Term Loans - \$[●]]

[Tranche D Term Loans - \$[●]]

[Tranche E Term Loans - \$[●]]

[Tranche F Term Loans - \$[●]]

[Tranche G Term Loans - \$[●]]

[Tranche H Term Loans - \$[●]]

[[●, 20●]<sup>25</sup> Tranche[s] - \$[●]]

The undersigned Lender hereby expressly consents and agrees to a prepayment of its [Initial Term Loans] [Tranche B Term Loans] [Tranche C Term Loans] [Tranche D Term Loans] [Tranche E Term Loans] [Tranche F Term Loans] [Tranche G Term Loans] [Tranche H Term Loans] [[and its] [●, 20●]<sup>26</sup> Tranche[s]] pursuant to Section 4.4(h)(ii) of the Credit Agreement at a price equal to the Specified Discount in the aggregate Outstanding Amount not to exceed the amount set forth above, as such amount may be reduced in accordance with the Specified Discount Proration, and as otherwise determined in accordance with and subject to the requirements of the Credit Agreement.

The undersigned Lender further acknowledges and agrees that (1) the Borrower may have, and may come into possession of information regarding the Term Loans or the Loan Parties hereunder that is not known to such Lender and that may be material to the decision by such Lender to accept the Discounted Term Loan Prepayment (“Excluded Information”), (2) such Lender independently and, without reliance on the Borrower, any of its Subsidiaries, the Administrative Agent or any of their respective Affiliates, has made its own analysis and determination to participate in the Discounted Term Loan Prepayment notwithstanding such Lender’s lack of knowledge of the Excluded Information, and (3) none of the Borrower, its Subsidiaries, the Administrative Agent, or any of their respective Affiliates shall have any liability to such Lender, and the undersigned Lender hereby waives and releases, to the extent permitted by law, any claims such Lender may have against the Borrower, its Subsidiaries, the Administrative Agent, and their respective Affiliates, under applicable laws or otherwise, with respect to the nondisclosure of the Excluded Information. The undersigned Lender further acknowledges that the Excluded Information may not be available to the Administrative Agent or the other Lenders.

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<sup>25</sup> List multiple Tranches if applicable.

<sup>26</sup> List multiple Tranches if applicable.

IN WITNESS WHEREOF, the undersigned has executed this Specified Discount Prepayment Response as of the date first above written.

[     ]  
By: \_\_\_  
Name  
Title:

By: \_\_\_  
Name  
Title:

**ANNEX III**

**Schedule A-7 to Credit Agreement**

<b>TRANCHE H TERM LENDER</b>	<b>TRANCHE H TERM LOAN COMMITMENT</b>
Credit Suisse AG, New York Branch	\$150,000,000
<b><u>TOTAL</u></b>	<b><u>\$150,000,000</u></b>



## RESTRICTED STOCK UNIT AWARD TERMS AND CONDITIONS (U.S.)

This document contains the Terms and Conditions of the Restricted Stock Units awarded by the Company to the Participant indicated in the Notice of Award of Restricted Stock Units to which this document is attached (the “Notice”), and constitutes a binding agreement by and between Warner Music Group Corp. (the “Company”), and the employee whose name is set forth on the Notice. Capitalized terms used but not defined herein shall have the respective meanings given to them in the Warner Music Group Corp. 2020 Omnibus Incentive Plan, as amended from time to time (the “Plan”).

1. Grant of RSUs. The Company hereby evidences and confirms its grant to the individual whose name is set forth on the Notice (the “Participant”), effective as of the grant date set forth on the Notice (the “Grant Date”), of the number of Restricted Stock Units set forth on the Notice (the “RSUs”). Each RSU represents the unfunded, unsecured right of the Participant to receive one Share. The RSUs are subject to the terms and conditions of the Plan, which are incorporated by reference herein.

2. Vesting. Except as otherwise provided in this Section 2 or in the Plan or as approved by the Administrator, the RSUs shall vest in accordance with the terms of these Terms and Conditions (including the Notice and the Plan), as follows (the occurrence of each such event described in Section 2(a)-(d), a “Vesting Event”):

(a) all of the RSUs shall become vested on the earliest to occur of the (i) vesting date set forth in the Notice (the “Vesting Date”), (ii) the Participant’s death and (iii) the Participant’s Disability, subject in each case to the Participant’s continued employment with the Company or its Affiliate through such date;

(b) upon the occurrence of a Change in Control, all then outstanding unvested RSUs shall be treated as provided in the Plan;

(c) if the Participant’s employment terminates in a Qualifying Termination prior to the Vesting Date, then (i) a pro rata portion of the RSUs shall become vested based on the portion of the period between the Grant Date and the Vesting Date that has elapsed as of the date of such termination (the “Accelerated RSUs”) and (ii) the balance of the RSUs (the “Deferred RSUs”) shall remain outstanding and unvested and shall become vested on the Vesting Date provided the Participant (A) has not violated Section 13(b) through the Vesting Date and (B) has provided annual certification of such ongoing compliance with Section 13(b) in writing to the Company on each anniversary of the Grant Date (if any) that occurs following such Qualifying Termination and prior to the Vesting Date, and a final certification to such effect prior to (but no more than 90 days prior to) the Vesting Date.

(d) if the Participant’s employment terminates in a Qualifying Retirement (as defined below) prior to the Vesting Date, all of the RSUs shall become vested on the Vesting Date provided the Participant (i) has not violated Section 13(b) through the Vesting Date and (ii) has provided annual certification of such ongoing compliance with Section 13(b) in writing to the Company on each anniversary of the Grant Date (if any) that occurs following such Qualifying Retirement and prior to the Vesting Date, and a final certification to such effect prior to (but no more than 90 days prior to) the Vesting Date.

For purposes of these Terms and Conditions, employment with the Company will be deemed to include employment with, or, if approved by the Administrator, other service to, the Company or Company’s Affiliates, but in the case of employment with or service to an Affiliate, only during such time as such Affiliate is an affiliate of the Company.

Notwithstanding anything contained in these Terms and Conditions to the contrary, the Administrator, in its sole discretion, may accelerate the vesting of any RSUs, at such times and upon such terms and conditions as the Administrator shall determine, so long as the delivery of Shares for any RSUs subject to Section 409A of the Code is permitted thereby.

3. Termination for Cause. If the Participant’s employment is terminated for Cause, or if the Participant resigns at such time as the Company could have terminated the Participant’s employment for Cause, then notwithstanding any other provision of these Terms and Conditions, the Participant will immediately forfeit any

remaining RSUs, along with any Shares issuable with respect to such RSUs (even if otherwise vested) for which Shares have not yet been delivered, and any cash amounts payable under Section 9(b).

4. Delivery.

(a) In the case of a Vesting Event described in Section 2(a) or 2(b) (i.e., scheduled vesting dates, death or Disability, Change in Control), one Share shall be delivered in respect of each RSU then vesting, within 30 days of the applicable Vesting Event.

(b) In the case of a Vesting Event described in Section 2(c) (Qualifying Termination), subject to the Participant's compliance with Section 2(c) and Section 13(b), one Share will become deliverable in respect of each RSU, subject to the Participant executing a general release of claims in favor of the Company and its affiliates, directors and officers in a form provided by the Company and to such release becoming irrevocable within 60 days after such termination (such 60-day period, the "Release Period"). If the Participant fails to timely satisfy this release requirement, all of the RSUs that would otherwise vest under Section 2(c) (i.e., both the Accelerated RSUs and Deferred RSUs, along with any Shares issuable with respect to such RSUs) shall be deemed forfeited as of the date of Participant's Qualifying Termination and the Participant will have no further rights with respect thereto. Subject to the Participant's compliance with the requirements described in this Section 4(b):

(i) Shares deliverable under this Section 4(b) in respect of Accelerated RSUs will be delivered on the date the release becomes irrevocable (but if the Release Period spans two taxable years of the Participant, not before the first day of such second taxable year), or if sooner, upon the occurrence of a Change in Control or the Participant's death; and

(ii) Shares deliverable under this Section 4(b) in respect of Deferred RSUs will be delivered on the date such Shares would have otherwise been delivered under Section 2(a)(i), but for the Participant's termination, or if sooner, upon the occurrence of a Change in Control or the Participant's Disability or death (but if such Change in Control, Disability or death occurs during the Release Period, then the Shares will be delivered on the next business day following the Release Period).

(c) Subject to Participant's compliance with Section 2(d) and Section 13(b), in the case of a Vesting Event described in Section 2(d) (Qualifying Retirement), one Share will become deliverable in respect of each RSU then vesting. Shares deliverable under this Section 4(c) will be delivered (i) on the date such Shares would have otherwise been delivered under Section 2(a)(i), but for the Participant's termination, or (ii) if sooner, upon the occurrence of a Change in Control or the Participant's Disability or death.

(d) In the event of the death of the Participant, the delivery of Shares under this Section 4 shall be made to the Participant's estate or to a beneficiary designated in accordance with the Company's requirements as in effect from time to time (but in any event no later than December 31 of the calendar year immediately following the calendar year during which the Participant's death occurs).

5. Certain Definitions. For purposes of these Terms and Conditions and notwithstanding any provision of the Plan to the contrary, the following definitions will apply:

(a) "Cause" with respect to the Participant, has the meaning set forth in (i) the Participant's employment agreement or offer letter with the Company or its Affiliate, or (ii) if the Participant is not party to an employment agreement or offer letter with the Company or its Affiliate agreement that contains a "cause" definition, the Warner Music Inc. Severance Plan for Regular U.S. Employees or its successor plan, as in effect from time to time.

(b) "Qualifying Retirement" means the Participant's "separation from service" within the meaning of Section 409A of the Code after the Participant has attained age 60 and completed at least 10 years of employment with the Company.

(c) "Qualifying Termination" means the Participant's "involuntary separation from service" within the meaning of Section 409A of the Code resulting from a termination of employment (i) by the Company or its Affiliate without Cause, (ii) if the Participant is party to an employment agreement or offer letter with the Company or its Affiliate that contains a "good reason" definition, by the Participant for "good reason" (as defined therein) or (iii) if the Participant is party to an employment agreement or offer letter with the Company or its Affiliate agreement that contains a "qualifying non-renewal" definition, in a "qualifying non-renewal" (as defined therein).

6. Adjustments Upon Certain Events. The Administrator shall, in its sole discretion, make equitable substitutions or adjustments to the number of Shares and the RSUs pursuant to Section 3.3 of the Plan.

7. No Right to Continued Employment. Neither the Plan, the Notice nor these Terms and Conditions shall be construed as giving the Participant the right to be retained in the employ of, or in any consulting relationship with, the Company or any of its Affiliates. Further, the Company (or, as applicable, its Affiliates) may at any time dismiss the Participant, free from any liability or any claim under the Plan, the Notice or these Terms and Conditions, except as otherwise expressly provided herein.

8. No Acquired Rights. The Award has been granted entirely at the discretion of the Administrator. The grant of the Award does not obligate the Company to grant additional Awards to the Participant in the future (whether on the same or different terms).

9. No Rights of a Stockholder; Dividend Equivalent Payments.

(a) The Participant shall not have any rights or privileges as a stockholder of the Company in respect of RSUs, which for the avoidance of doubt includes no rights to dividends or to vote, until the Shares in question have been registered in the Company's register of stockholders as being held by the Participant.

(b) Section 9(a) notwithstanding, if the Company declares and pays a cash dividend or distribution with respect to its Shares, then, with respect to each then outstanding RSU as to which Shares have not been delivered, whether vested or unvested, the Participant will be paid an amount of cash equal to the value of such cash dividend or distribution within 30 days of the date the dividend becomes payable to the Company's shareholders or, if later, on the next practicable payroll date applicable to the Participant (but in any event no later than December 31<sup>st</sup> of the calendar year in which the dividend becomes payable to the Company's shareholders).

10. Transferability of Shares. Any Shares issued or transferred to the Participant pursuant to the Award shall be subject to such stop transfer orders and other restrictions as the Administrator may deem advisable under the Plan, the Notice, these Terms and Conditions or the rules, regulations and other requirements of the U.S. Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable federal or state laws or relevant securities laws of the jurisdiction of the domicile of the Participant, and the Administrator may cause a legend or legends to be put on any certificates representing such Shares or make an appropriate entry on the record books of the appropriate registered book-entry custodian, if the Shares are not certificated, to make appropriate reference to such restrictions.

11. Transferability of RSUs. Except as set forth in Section 4(d), the RSUs (and, prior to their actual issuance, the Shares) may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant other than by will or by the laws of descent and distribution, and any purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance not permitted by this Section 11 shall be void and unenforceable.

12. Withholding; Taxation.

(a) The Company and the Participant shall cooperate to satisfy applicable federal, state and local income and employment tax withholding requirements applicable to the grant, vesting and settlement of the RSUs and any dividends or distributions payable under Section 9(b) (the "Required Withholding"). The Company shall withhold from the Shares that would otherwise have been transferred to the Participant in settlement of vested RSUs the number of Shares necessary to satisfy the Participant's Required Withholding unless the Required Withholding shall previously have been satisfied by the Participant or from other amounts payable by the Company to the Participant and, if applicable, shall deliver the remaining Shares to the Participant. The Company shall withhold from any dividends or distributions payable under Section 9(b) a cash amount equal to the Required Withholding applicable thereto. The amount of the Required Withholding and the number of Shares to be withheld by the Company, if applicable, to satisfy Participant's Required Withholding, as well as the amount reflected on tax reports filed by the Company, shall be based on the Fair Market Value of the Shares on the date prior to the applicable Vesting Date or the date on which the Shares are delivered to the Participant, as appropriate. The obligations of the Company under these Terms and Conditions will be conditioned on such satisfaction of the Required Withholding. The payment of any applicable withholding taxes through the withholding of Shares otherwise issuable under the Award shall not exceed the minimum required withholding liability.

(b) The Award and these Terms and Conditions are intended to comply with Section 409A of the Code and should be interpreted accordingly. To the extent necessary to give effect to this intent, in the case of any conflict or potential inconsistency between the provisions of the Plan and these Terms and Conditions, the

provisions of these Terms and Conditions will govern, and in the case of any conflict or potential inconsistency between this Section 12 and the other provisions of these Terms and Conditions, this Section 12 will govern. Nonetheless, the Company does not guarantee the tax treatment of the Award.

(c) In no event will the Participant be permitted to designate, directly or indirectly, the taxable year of the delivery. To the extent the Award includes a “series of installment payments” as described in Treas. Reg. § 1.409A-2(b)(2)(iii), the Participant’s right to the series of installment payments will be treated as a right to a series of separate payments and not as a right to a single payment. The Award is subject to offset solely to the extent permitted by the Plan and Section 409A of the Code. To the extent any payment under the Award is conditioned on the effectiveness of a release of claims and the period the Participant is afforded to consider the release spans two taxable years of the Participant, payment will be made in the second taxable year.

(d) Notwithstanding anything in this Award to the contrary, (i) to the extent permitted by Treas. Reg. § 1.409A-3(j)(4)(vi), settlement of the Award may be accelerated to the extent necessary to satisfy employment tax withholding obligations that arise with respect to the Award, (ii) the Company may terminate this arrangement and deliver Shares hereunder in a manner consistent with Treas. Reg. § 1.409A-3(j)(4)(ix) and (iii) if at the time the Participant’s termination of employment, the Participant is a “specified employee” as defined in Section 409A of the Code and the deferred delivery of Shares otherwise deliverable hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A of the Code, then the Company will defer the delivery of Shares hereunder (without any reduction in the number of Shares ultimately delivered to the Participant) until the date that is six (6) months following the Participant’s separation from service (or the earliest date as is permitted under Section 409A of the Code), at which point all Shares deferred pursuant to this subclause (iii) of Section 12(d) shall be delivered to the Participant during the ten (10)-day period following the end of the six (6)-month delay.

### 13. Clawback/Forfeiture; Other Company Policies.

(a) Notwithstanding anything to the contrary contained herein or in the Plan, in consideration for the grant of this Award, the Participant agrees that the RSUs and any Shares or cash delivered in settlement of the RSUs, including in respect of dividends or distributions pursuant to Section 9(b), (i) will be subject to the terms of any clawback or recapture policy that the Company may have in effect from time to time and, in accordance with such policy, may be subject to the requirement that the Shares subject to the RSUs or any cash payments made in respect thereof be repaid to the Company after they have been distributed to the Participant, and (ii) will, along with any other equity interests in the Company held by the Participant, be subject to any policy with respect to hedging or pledging of Shares that the Company may have in effect from time to time.

(b) Unless otherwise approved by the Administrator, as a condition to a Vesting Event described in Section 2(c) (Qualifying Termination) or Section 2(d) (Qualifying Retirement), the Participant shall not, to the extent permitted by applicable law, during the period following the Qualifying Retirement or Qualifying Termination, as applicable, and prior to the Vesting Date, without the prior written consent of Company, directly or indirectly, as an employee, agent, consultant, partner, joint venturer, owner, officer, director, member of any other firm, partnership, corporation or other entity, or in any other capacity, (i) own any interest in, manage, control, participate in, consult with, render services for, or otherwise be or be connected in any manner with, any recorded music, music distribution, music publishing or music entertainment business or any other business that the Company and its Affiliates has conducted during the one-year period immediately preceding the date of such Qualifying Retirement or Qualifying Termination, as applicable, or has plans to conduct as of the date of such Qualifying Retirement or Qualifying Termination anywhere in the world, or (ii) solicit, negotiate with, induce or encourage any record label, recording artist (including a duo or a group), publisher or songwriter who at the time is, or who within the preceding one-year prior period was, either directly or through a furnishing entity, under contract to Company or any affiliate of Company or a label distributed by Company or an affiliate of Company, to end its relationship with Company, Company affiliate or label, to violate any provision of his or her contract or to enter into an exclusive recording or music publishing agreement with any other party. Accordingly, the Participant agrees that, unless otherwise approved by the Administrator, without limiting any of the Company’s rights pursuant to any clawback or recapture policy that the Company may have in effect from time to time, in the event of the Participant’s violation of any of the covenants contained in this Section 13(b), the Participant will immediately forfeit all unvested RSUs held by the Participant, and the Participant will have no further rights with respect thereto.

14. Choice of Law. THE AWARD, THESE TERMS AND CONDITIONS AND THE NOTICE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO AGREEMENTS MADE AND TO BE WHOLLY PERFORMED WITHIN THAT STATE. ANY ACTION TO ENFORCE THE AWARD, THESE TERMS AND CONDITIONS OR THE NOTICE MUST BE BROUGHT IN A COURT SITUATED IN, AND THE PARTIES HEREBY CONSENT TO THE JURISDICTION OF, COURTS SITUATED IN NEW YORK COUNTY, NEW YORK.

EACH PARTY HEREBY WAIVES THE RIGHTS TO CLAIM THAT ANY SUCH COURT IS AN INCONVENIENT FORUM FOR THE RESOLUTION OF ANY SUCH ACTION.

15. RSUs Subject to Plan. All the RSUs are subject to the Plan, a copy of which has been provided to the Participant and the terms of which are incorporated herein by this reference. Except as set forth in Section 12(b), if there is any inconsistency between any express provision of these Terms and Conditions and any express term of the Plan, the express term of the Plan shall govern.

16. Beneficiary. The Participant may file with the Company a written designation of a beneficiary on such form as may be prescribed by the Company and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Participant, the executor or administrator of the Participant's estate shall be deemed to be the Participant's beneficiary. The Participant's beneficiary shall succeed to the rights and obligations of the Participant hereunder upon the Participant's death, except as maybe otherwise described herein or in the Plan.

17. Entire Agreement; Severability. The Plan, these Terms and Conditions and the Notice contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of the Notice or these Terms and Conditions shall be valid unless the same be in writing and signed by the parties hereto. Whenever possible, each provision of these Terms and Conditions shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of these Terms and Conditions is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but these Terms and Conditions shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

18. Additional Terms. Notwithstanding any other provision of the Plan, these Terms and Conditions or the Notice, the RSUs shall be subject to any special terms and conditions set forth in Addendum A to these Terms and Conditions for the Participant's country or jurisdiction, if any. Moreover, if the Participant relocates to one of the countries included in Addendum A, the special terms and conditions for such country will apply to Participant, without the Participant's consent, to the extent the Company determines in its sole discretion that the application of such terms or conditions is necessary or advisable for legal or administrative reasons. Addendum A constitutes part of these Terms and Conditions.

19. Acceptance of RSUs and Agreement. The Participant has indicated the Participant's consent and acknowledgement of the terms of these Terms and Conditions pursuant to the instructions provided to the Participant by or on behalf of the Company. The Participant acknowledges receipt of the Plan, represents to the Company that the Participant has read and understood these Terms and Conditions and the Plan, and, as an express condition to the grant of the RSUs under these Terms and Conditions, agrees to be bound by the terms of both these Terms and Conditions and the Plan. The Participant and the Company each agrees and acknowledges that the use of electronic media (including, without limitation, a click-through button or checkbox on a website of the Company or a third-party administrator) to indicate the Participant's confirmation, consent, signature, agreement and delivery of these Terms and Conditions and the RSUs is legally valid and has the same legal force and effect as if the Participant and the Company signed and executed these Terms and Conditions in paper form. The same use of electronic media may be used for any amendment or waiver of these Terms and Conditions.

Dated 12 January 2023

**(1) WARNER MUSIC INTERNATIONAL SERVICES LIMITED**

and

**(2) MAX LOUSADA**

**SERVICE AGREEMENT**

**THIS DEED** is made on 12 January 2023

**BETWEEN:-**

- (1) **WARNER MUSIC INTERNATIONAL SERVICES LIMITED (registered number 02258593 whose registered office is Cannon Place, 78 Cannon Street, London, EC4N 6AF (the "Company"); and**
- (2) **MAX LOUSADA of 69 Aberdeen Road, London N5 2XB (the "Executive")**

**1. EMPLOYMENT**

- 1.1 The Company shall employ the Executive and the Executive shall act as Chief Executive Officer, Recorded Music, Warner Music Group and, subject to clause 2.2 below, shall be the sole most senior executive of Warner Music Group's Recorded Music division. The Executive shall serve as a director of the Company and any other Group Companies that are notified to him by the Board of Directors of Warner Music Group Corp. ("WMG") from time to time.
- 1.2 The Executive's continuous employment commenced on 1 April 2000.
- 1.3 The Employment (as defined below) is conditional upon the Executive evidencing his continued right to work in either the UK or the United States (as the Executive may elect), as reasonably requested by the Company from time to time. If the Executive fails to provide such evidence at any time during the Employment, the Company reserves the right to terminate the Employment immediately without notice pursuant to clause 11.1.1 below.

**2. TERMS OF EMPLOYMENT**

- 2.1 This Agreement shall be deemed to have commenced on 1 October 2022 ("Commencement Date") and, subject to clause 11 below, shall continue for a period of three years (that is until 30 September 2025) (the "Term") and thereafter unless and until it is terminated by either party giving to the other not fewer than six months' notice in writing, such notice to be given to expire at any time on or after the end of the Term ("the Employment"). The Company agrees that, in good time before the end of the Term, it will give good faith consideration to commencing discussions with the Executive concerning the extension of the Term.
- 2.2 The Company is not obliged to provide the Executive with work and it may in respect of all or part of any unexpired Term or period of notice, suspend the Executive on garden leave and require the Executive:-

- 2.2.1 not to perform his duties and/or carry out alternative broadly similar duties;
  - 2.2.2 to abstain from contacting any Company or Group Company clients, artists, producers, composers, songwriters, employees, consultants, supplier or agents (save for purely social reasons);
  - 2.2.3 not to enter Company or Group Company premises;
  - 2.2.4 to resign from any office(s) in the Company and/or any Group Company; and/or
  - 2.2.5 to return to the Company all documents and other property belonging to the Company and/or any Group Company,
- provided always that any period of suspension shall not exceed six months in any event.
- 2.3 The Employment and the Executive's entitlement to salary and benefits (including bonuses, if any) shall continue during any period of garden leave.
- 2.4 Subject to clause 11.1 below (pursuant to which the Company reserves the right to terminate the Employment without notice or payment in lieu of notice by notifying the Executive in writing), in the event that the Company terminates the Employment on notice (including notice given by the Company pursuant to clause 2.1 above) or at any time, at its sole discretion, elects to terminate the Employment during the Term with or without notice or the Executive is constructively dismissed (but not where the Executive resigns voluntarily), the Company shall pay to the Executive: (a) an amount equivalent to 18 months' base salary; (b) any bonus earned for the previous financial year, but which remains unpaid; and (c) where the Executive's Employment terminates part way through a financial year, a pro-rated bonus for the then-current financial year in which the Employment terminates pursuant to clause 4.2 below (together the "Severance Payment"). If payable, part (a) of the Severance Payment will be paid to the Executive as a lump sum, less statutory deductions, within 28 days of the date the Employment ends; and part (b) and (c) of the Severance Payment will be paid, less statutory deductions, at the same time as the relevant bonuses are paid for other executives for the relevant year. The Severance Payment is conditional upon the Executive (acting reasonably) signing such settlement agreement as the Company may reasonably require in full and final settlement of any claims he may have against the Company or any Group Company. The Executive shall be under no duty to mitigate the Severance Payment and further in the event that the Executive does anything which could or does act in mitigation of the Executive's loss, the



Severance Payment shall not be reduced and the Executive shall have no obligation to repay any monies to the Company.

- 2.5 The Executive agrees that, during any period of notice given by either party, he will give to the Company or such person nominated by it all such assistance and co-operation in effecting a smooth and orderly handover of his duties as the Company may reasonably require.
- 2.6 The Company may, during any period of notice given by either party, appoint a person to perform the Executive's duties jointly with him, or during any period of suspension pursuant to clause 13 below, to perform all or some of the Executive's duties in his place.

### 3. **DUTIES AND LOCATION**

#### 3.1 During the Employment:-

- 3.1.1 it shall be a fundamental term that the Executive shall report directly to the Chief Executive Officer of WMG (the "WMG CEO"). The Executive shall perform and observe such duties and restrictions and shall conduct and manage such of the affairs of WMG as may from time to time be reasonably required of him by the Board of Directors of WMG or the WMG CEO and which are commensurate with the Executive's level of seniority;
- 3.1.2 the Executive shall at all times comply with his duties as a director as set out in any relevant legislation;
- 3.1.3 the Executive shall well and faithfully serve the Company and/or any Group Company to the best of his abilities and carry out his duties in a proper, competent and efficient manner and in willing co-operation with others;
- 3.1.4 the Executive shall use his reasonable endeavours to promote, and at all times act in the best interests of the Company and/or any Group Company;
- 3.1.5 the Executive shall notify his manager (or such person as is requested by the Company from time to time) promptly on becoming aware of any actual or potential data security breach and at the Company's cost shall take such steps as may be required and/or requested by the Company to remedy such breach;

- 3.1.6 unless prevented by illness or accident and except during holidays provided for under clause 6 below, the Executive shall devote the whole of his time, attention and ability to his duties under this Agreement during normal working hours and at such other times as may be reasonably required by the needs of the Company or any Group Company or the nature of the Executive's duties and he shall not be entitled to receive any additional remuneration for work outside his normal working hours i.e. 10 am to 7 pm, Monday to Friday; and
- 3.1.7 the Executive will not have any direct or indirect interest, whether as an agent, beneficiary, consultant, director, employee, partners, proprietor, shareholder (other than a minority shareholder holding not more than 5% of any class of securities quoted or dealt in on any recognised investment exchange, as defined by section 285 of the Financial Services and Markets Act 2000) or otherwise, in any trade, business or occupation whatsoever other than the business of the Company or any Group Company except with the prior written consent of the Company (which shall not be unreasonably withheld).
- 3.2 The Company may acting reasonably but at its absolute discretion at any time and from time to time upon written notice to the Executive require the Executive to take as soon as practicable all steps necessary to fully and effectively relinquish the whole or any part of any interest in respect of the holding of which the Company has at any time given its prior written consent pursuant to clause 3.1.7 above if the Company or any Group Company reasonably considers that the Executive continuing to hold that interest will cause a material conflict with the best interests of the Company or any Group Company.
- 3.3 Regulation 4(1) of the Working Time Regulations 1998 ("WTR") provides that a worker's average working time, including overtime, must not exceed 48 hours for each seven day period (to be averaged over a period of 17 weeks) unless the worker agrees that this regulation will not apply to his Employment. In accordance with Regulation 5 of the WTR, the Executive agrees that Regulation 4(1) will not apply to the Employment. At any time during the Employment, the Executive or the Company may give three months' prior written notice that the opt-out in this clause will cease to apply with effect from the expiry of the said notice.
- 3.4 The Executive will work at the principal office of the Company or anywhere else within Greater London to where the principal office of the Company is relocated, or at the principal office of WMG in New York or Los Angeles (as the Executive may elect following good faith consultation with the Company). The Executive may be required

to travel and work outside the UK or the United States (as applicable) from time to time (for the purposes of business visits) subject to the Company paying all costs and expenses incurred by the Executive in connection therewith, in accordance with the Company's Travel and Entertainment Policy as amended from time to time. If the Executive elects to relocate to New York or Los Angeles (following good faith consultation between the Company and the Executive taking into account the needs of the Company's business) (the "Relocation"), the Relocation shall take place (subject to payment of the Relocation Costs in clause 5.6 below) on such date as is agreed in good faith between the Company and the Executive (the "Relocation Date"). With effect from the Relocation Date, this Agreement shall terminate and the Executive will enter into a US employment agreement governing his employment as reasonably required by the Company, to take effect on the Relocation Date, provided always that the terms thereof shall be no less favourable (to the Executive) in any material way than the terms contained in this Agreement. For the avoidance of doubt, it is agreed that the termination of this Agreement by reason of the Relocation shall not constitute a termination by the Company, for the purposes of clause 2.4 above or otherwise.

3.5 The Executive may be required to undertake mandatory training from time-to-time in accordance with the requirements of the business.

#### 4. **REMUNERATION AND EXPENSES**

4.1 With effect from 1 October 2022, the Company shall pay and the Executive shall accept a salary at £4,109,000 per annum, such salary to accrue from day to day and to be paid less statutory and voluntary deductions by equal monthly instalments in arrears on or about the 28th day of every month by bank transfer. Any shortfall in salary due to the Executive for the period 1 October 2022 to the date of signature hereof shall be paid by the Company in the next practicable payroll following the execution of this Agreement.

4.2 Without prejudice to clause 2.4(c) above, the Executive will be eligible, at the sole discretion of the WMG CEO and the Compensation Committee of the Board of Directors of WMG), to receive an annual bonus in respect of each financial year completed during the Employment commencing with the Company's 2023 financial year (ending 30 September 2023). The Company's financial year is currently 1 October to 30 September, but is subject to change at the Company's discretion. The Executive's "target" bonus is £4,109,000 ("Target Bonus") although depending on performance the actual bonus award may be either more or less than the Target Bonus at the Company's sole discretion. The criteria to be achieved in each year for the Target Bonus level to be met will be based on factors such as the Company's,

Warner Music Group's, Warner Music Group's Recorded Music division's and the Executive's performance and will be notified to the Executive each year. Any bonus will be paid less statutory deductions. Subject to clause 11.1 below, if the Executive remains employed at 30 September 2025, any bonus earned for the financial year ending 30 September 2025 will be paid at the same time as the relevant bonuses are paid for other executives for such financial year, regardless of whether the Executive is employed at such time.

- 4.3 In respect of the Company's 2023 financial year and, in respect of each other financial year in which the Executive is actively employed by the Company and so long as the common stock of WMG (including any successor or assignee of WMG) is publicly traded, the Executive shall be eligible to receive, in the sole discretion of the Administrator of the Warner Music Group Corp. 2020 Omnibus Incentive Plan (as may be amended from time to time, the "Plan") one or more "Awards" as defined under and to be granted to the Executive pursuant to the Plan. For each financial year of the Employment that the Executive is eligible to receive an equity incentive award, the aggregate annual pre-tax, grant date target value of any Awards granted in such financial year shall be USD\$5,000,000 with the number of shares of WMG Class A common stock covered by such Award(s) determined by the closing share price of WMG Class A Common Stock on a date or dates selected by the Administrator. The actual pre-tax grant date value of the Executive's annual Award(s) may be lower than the target amount, and will be determined by the Administrator in their sole discretion based on factors determined by the WMG CEO and the Administrator, which may include the strength of the Executive's performance and the performance of WMG in respect of such financial year and/or any other period deemed relevant by the Administrator. Any annual Awards that the Executive may be eligible to receive are expected to be granted in the same financial quarter as the annual Awards granted to other executives of the Company and any Group Company (which is generally expected to be in January of the applicable financial year, commencing with January 2023), unless otherwise determined by the Administrator. The Executive's Awards shall have terms and conditions, including vesting requirements and active employment on the grant date, determined in the sole discretion of the Administrator and be subject to individual "Award Agreements" and any other relevant Plan documents in forms approved by the Administrator. For the avoidance of doubt, on the termination of the Employment, howsoever caused, any Awards will be treated in accordance with the terms of the Executive's Award Agreement(s) and any other relevant Plan documentation from time to time in force.
- 4.4 Effective from 1 October 2022, notwithstanding anything to the contrary contained in the Executive's previous service agreement with the Company dated 20 March 2017, the Warner Music Group Corp. Senior Management Free Cash Flow Plan (the "FCF

Plan"), the LLC Agreement, the Executive's Participant Election under the FCF Plan or otherwise, the Executive and Company acknowledge and agree that the Executive will not have any rights to (a) receive an Annual Free Cash Flow Bonus (including, for the avoidance of doubt, any pro rata entitlements) under the FCF Plan in respect of the Company's 2023 financial year or any period thereafter or (b) acquire any additional Deferred Equity Units or Matching Equity Units. The Executive's vested Deferred Equity Units and Matching Equity Units and entitlements to Dividend Equivalents that the Executive has under the FCF Plan as of the date hereof, shall continue to be treated in accordance with the terms and conditions of the FCF Plan, LLC Agreement, the Executive's Participant Election under the FCF Plan, all amendments to the foregoing and all letter agreements relating to the Executive's participation in the FCF Plan and in interests in WMG Management Holdings, LLC, in each case, as in effect from time to time. Capitalized terms used but not defined in this paragraph shall have the meanings assigned to them in the FCF Plan or the LLC Agreement, as applicable.

- 4.5 The Executive shall be reimbursed all reasonable expenses properly and necessarily incurred by him in the performance of his duties upon production of vouchers in respect of them or if vouchers are not readily available upon other evidence satisfactory to the Company of payment of such expenses, provided that such expenses shall be subject to the Company's normal policy and budgetary disciplines, as detailed in the Company's Travel and Entertainment Policy as amended from time to time. In relation to international flights, it is agreed that the Executive will be eligible to travel first class, provided that this is approved in advance with the WMG CEO.
- 4.6 The Executive will receive an additional non-returnable payment of £82,180 by way of sign on bonus, less statutory deductions, to be paid by the Company in the next available monthly payroll after the execution of this Agreement by both parties.
- 4.7 Prior to and on termination of the Employment (howsoever arising and whether lawful or not), the Executive's rights under the Plan, the FCF Plan, the Executive's Participant Election under the FCF Plan, the LLC Agreement and/or the Award Agreements or in respect of any share option or long term incentive scheme of the Company in which the Executive may participate or have received grants or allocations at or before the date the Employment terminates, shall be exclusively governed by the terms of the relevant documents and/or the rules of such scheme(s) as in force from time to time and this Agreement in no way modifies or amends such rights.
- 4.8 The Executive will be provided with a mobile telephone and laptop and the Company will meet all rental and call charges reasonably incurred.

- 4.9 The Company retains the express right to deduct from time to time during the Employment any overpayments or advances against salary which the parties mutually agree hereafter or any other sums due from the Executive to the Company or any Group Company from any monies due to the Executive.
- 4.10 This Agreement is intended to be exempt from or comply with Section 409A of the (US) Internal Revenue Code of 1986, as amended (the "Code") and any related regulations or other pronouncements thereunder (collectively, "Section 409A") and will be so interpreted. Amounts payable under this Agreement shall be deemed not to be a "deferral of compensation" subject to Section 409A to the extent provided in the exceptions set forth in (US) Treas. Reg. Section 1.409A-1 (b)(4) ("short-term deferrals") and (US) Treas. Reg. Section 1.409A-1 (b)(9) ("separation pay plans") and other applicable provisions of (US) Treas. Reg. Section 1.409A-1 to A-6. To the extent section 409A is applicable, references under this Agreement to a termination of the Employment shall be deemed to refer to the date upon which the Executive has experienced a "separation from service" within the meaning of Section 409A. Notwithstanding anything herein to the contrary, if any payments of money or other benefits due to the Executive hereunder could cause the application of an accelerated or additional tax under Section 409A, such payments or other benefits shall be deferred if deferral will make such payment or other benefits compliant under Section 409A, or otherwise such payment or other benefits shall be restructured, to the extent possible, in a manner, determined by the Company, that does not cause such an accelerated or additional tax. To the extent any reimbursements or in-kind benefits due to the Executive under this Agreement constitute "deferred compensation" under Section 409A, any such reimbursements or in-kind benefits shall be paid to the Executive in a manner consistent with (US) Treas. Reg. Section 1.409A-3(i)(1)(iv). Each payment made under this Agreement (including each instalment of any payment to be made in two or more instalments), shall be designated and treated as a "separate payment" within the meaning of Section 409A.

## 5. **ADDITIONAL BENEFITS**

- 5.1 Subject to the rules and eligibility requirements of the scheme(s) from time to time in force, the Executive (and in respect of private health and dental cover, the Executive's immediate family also) will be entitled to such benefits in accordance with the Company's policy as may from time to time be provided by the Company for its employees of equivalent status to the Executive at the Company's cost, subject to the standard deductible in respect of private health insurance. Such benefits include worldwide private health cover, dental cover and life insurance cover, subject to HM Revenue & Customs limits from time to time in force.

5.2 There is a Company pension scheme in operation. The Company will comply with its employer pension duties in accordance with section 1 of the Pensions Act 2008. All eligible job holders will be automatically enrolled into the Company Pension Scheme at an employee contribution level in accordance with legislative requirements in force (currently 3% of qualifying earnings) and the Company currently contributes 6% of qualifying earnings. If the Executive chooses to remain in the Company Pension Scheme, the Executive can opt to participate at a higher contribution level. Under current contribution rates, if the Executive contributes 5% of his salary to the scheme, the Company will contribute 10% of the Executive's salary, subject to the Company pension cap (which is currently £200,000 per annum) or other applicable caps, including any annual or lifetime allowances from time to time in force. If in any year the Company is unable to make the full agreed contribution into the Company Pension Scheme on the Executive's behalf because of the operation of any caps or allowances, the excess will be paid to the Executive in cash, less statutory deductions, provided always that the cost to the Company of the cash payment will be neutral (and in particular, any employer's national insurance will be deducted from the cash payment). The Company reserves the right to amend or withdraw this scheme provided that the Executive shall be given access to a broadly similar pension scheme and a similar level of contribution. Further information regarding the Scheme, HMRC allowances the pensions cap, salary sacrifice, auto-enrolment etc, can be obtained from the Company's intranet and from the People team.

5.3 The Company will pay the Executive an annual car allowance of £15,000 per annum. This is a taxable benefit. The Executive will receive this allowance monthly at the rate of £1,250 per month, less statutory deductions, with his salary payment. The car allowance is made on the understanding that the sum will cover the following:-

- 5.3.1 to insure the Executive's vehicle to cover business use;
- 5.3.2 the cost of the maintenance and servicing of the Executive's vehicle;
- 5.3.3 the cost of accident breakdown cover and an alternative vehicle if the Executive's car is off the road for whatever reason;  
and
- 5.3.4 all petrol for private use (including travelling between home and office);

Petrol expenses for business use may be reclaimed at the rate of 45p per mile for the first 10,000 business miles and thereafter at the rate of 25p per mile. Business related parking only will be reimbursed.

In line with the Company's right to amend the car scheme, the Company also reserves the right to withdraw this benefit with reasonable notice provided that the

Company shall provide the Executive with a replacement scheme of an equivalent level of benefit (to the Executive).

- 5.4 The Executive will be provided with a car parking space for his use at or close to the Company's principal office at the Company's sole cost.
- 5.5 During the Term and for one year after the Term, and subject to the Executive using an advisor or advisors nominated by the Company (acting reasonably and in good faith), the Company will pay the Executive's reasonable accountancy costs incurred in each year in respect of the preparation of the Executive's annual tax return in the UK and in the United States of America. In addition, the Company will, subject to the Executive using an advisor or advisors nominated by the Company (acting reasonably and in good faith), pay the Executive's reasonable costs in relation to the Executive's tax planning relating to the Executive becoming a taxpayer in both the UK and in the United States of America, provided always that the Company shall not meet the cost of tax advice or tax planning relating to or associated with the Plan.
- 5.6 The Company will pay directly to the provider or reimburse to the Executive the Executive's reasonable costs in connection with the Relocation, in accordance with its policy from time to time in force. The maximum net contribution will be agreed between the Company and the Executive in good faith and will be divided in the Company's discretion (acting reasonably) between the relevant categories in the Company's policy such that if costs are not incurred by the Executive in respect of one category, they cannot be used against another category without the Company's prior consent ("the Relocation Costs"). The Company will gross up the Relocation Costs such that the Executive is left with an amount, which after payment of tax and national insurance and/or social security costs, is equivalent to the Relocation Costs. Further, it is agreed that if the Executive is dismissed pursuant to clause 11.1 below (but excluding in circumstances at clauses 11.1.6, 11.1.7, or 11.1.8 below), the Executive will promptly repay to the Company an amount equal to (a) 100% of the Relocation Costs, together with the amount of any gross up on the Relocation Costs paid by the Company, if the Employment ends prior to the first anniversary of the Relocation Date; or (b) 50% of the Relocation Costs, together with the amount of any gross up on the Relocation Costs paid by the Company, if the Employment ends on or after the first anniversary of the Relocation Date but prior to the second anniversary of the Relocation Date.
- 6. HOLIDAYS, HOLIDAY PAY AND OTHER PAID LEAVE**
- 6.1 In addition to all bank and other public holidays, the Executive shall be entitled to 28 working days' holiday during each calendar year. The Company may at its sole discretion close its offices between December 24 and January 1 and any such days



not being public holidays shall be deducted from the Executive's holiday entitlement. Holiday is to be taken at such time or times as is convenient to the Company's business and as approved by the Board.

- 6.2 During the calendar years in which the Employment commences and terminates, the Executive shall be entitled to such annual holiday entitlement as accrued under the Company's annual holiday policy, calculated on the basis that each day of paid holiday is equivalent to 1/260<sup>ths</sup> of the Executive's salary, provided that in the event of the Employment being terminated by the Company as a result of the Executive's gross misconduct pursuant to clause 11.1 the Executive shall not be entitled, if otherwise appropriate, to salary in lieu of any outstanding holiday entitlement, save as required by law.
- 6.3 The Executive may be entitled to family-friendly or other paid leave in accordance with the Company's policies from time-to-time in force and subject to applicable eligibility requirements. Further information is available from the Company's People team.

## 7. **ILLNESS/INCAPACITY**

- 7.1 Subject to the terms of any critical illness policy in place, if the Executive is absent through illness, accident or other incapacity he, or someone acting for him, shall advise the Company in accordance with the policies set forth in its Employee Handbook. Provided that the Executive complies with such policies and without prejudice to the Company's right to terminate this Agreement under clause 2 above and clause 11 below, the Executive shall be entitled to his salary at the full rate for up to 26 weeks of continuous absence or periods of absence totalling 26 weeks in any period of 12 months and thereafter the salary shall be payable at such rate (if any) as the Company shall in its discretion allow, provided that the Executive shall be entitled to continue to receive Statutory Sick Pay (if payable) and any payments due to the Executive under any critical illness policy in place at the relevant time.
- 7.2 For Statutory Sick Pay purposes, the Executive's qualifying days shall be his normal working days.

## 8. **DISMISSAL AND DISCIPLINARY RULES AND GRIEVANCE PROCEDURES**

The dismissal, disciplinary and grievance procedures applying to the Employment are available from the Company's People team. If the Executive is dissatisfied with a disciplinary decision relating to him or any decision to dismiss him, he should apply in accordance with the procedure set out in the Company's dismissal and disciplinary policy in writing to WMG's EVP & Chief People Officer. If the Executive wishes to

seek redress of any grievance relating to his Employment, he should apply in accordance with the procedure set out in the Company's grievance procedure in writing to WMG's EVP & Chief People Officer. Further details are given in the relevant procedures, which for the avoidance of doubt do not form part of the Executive's terms and conditions of Employment.

## 9. RESTRICTIVE COVENANTS

- 9.1 During the Employment and for a period of six months following its termination, the Executive will not, in competition with the Company, either directly or indirectly, without the prior written consent of the Company, act as a consultant, employee or officer or in any other capacity or be otherwise interested in (save that the Executive may hold up to 5% of any class of securities quoted or dealt in on a recognised investment exchange or 20% of any class of securities not so dealt) any Competitive Entity. For the purposes of clause 9.1, "Competitive Entity" shall mean any business which, at the date of the termination of the Employment, competes or is preparing to compete with any business carried on by the Company or any Group Company in which the Executive has been materially involved during the 12 months prior to the termination of the Employment.
- 9.2 During the Employment and for a period of 12 months after its termination, in connection with the carrying on of any business competitive with the business of the Company or any Group Company, either on the Executive's own behalf or on behalf of any other person, firm or entity, the Executive will not directly or indirectly solicit or interfere with or endeavour to entice away from the Company or any Group Company any Key Employee. For these purposes, "Key Employee" means any Company or any Group Company employee working (a) in a management capacity; (b) in an A&R capacity (excluding A&R scouts or junior or clerical staff); or (c) in sales or marketing (excluding junior or clerical staff), and with whom the Executive had material dealings during the 12 month period prior to the termination of the Employment.
- 9.3 During the Employment and for a period of 12 months after its termination, in connection with the carrying on of any business competitive with the business of the Company or any Group Company, either on the Executive's own behalf or on behalf of any other person, firm or entity, the Executive will not directly or indirectly solicit or interfere with or endeavour to entice away from the Company or any Group Company any Client. For these purposes, "Client" means any artist (including a duo or group), producer, publisher, composer or songwriter exclusively contracted to provide services to the Company or any Group Company or where such contract was being negotiated with the Company or any Group Company and with whom the Executive

had material dealings during the 12 month period prior to the termination of the Employment.

- 9.4 The duration of the above restrictions will be reduced by any period of garden leave (as defined at clause 2.2 above) or suspension pursuant to clause 13 below or any other period during the notice period when the Executive is required by the Company not to work.
- 9.5 Whilst the parties acknowledge and agree that each of the restrictions contained in this clause 9 is reasonable in all the circumstances, it is agreed that if any one or more of such restrictions either taken by itself or themselves together, are adjudged by a court of competent jurisdiction to go beyond what is reasonable in all the circumstances for the protection of the legitimate interests of the Company or any Group Company but would be adjudged reasonable if any particular restriction or restrictions were deleted or limited in a particular manner then the restrictions set out in this clause 9 will apply with such deletions, restrictions or limitation as the case may be.
- 9.6 The Executive agrees that each of the restrictions set out in this clause 9 constitute entirely separate, severable and independent restrictions on him. The Executive acknowledges he has had the opportunity to receive independent legal advice on the terms and effect of the provisions of this Agreement, including the restrictions above.

10. **CONFIDENTIALITY**

- 10.1 Without prejudice to any other duty implied by law or equity, the Executive shall not during his Employment (except in the proper course of his duties) nor at any time after the termination of this Agreement utilise for his own purposes or divulge or publish to any person whomsoever or otherwise make use of any trade secret or any other confidential information concerning the Company or any Group Company including without limitation trade secrets and/or confidential information relating to its or their business, human resources function, management or finances of any of its or their dealings, transactions, affairs, artists, producers, composers, songwriters, clients, suppliers, agents, employees or consultants which may have come to his knowledge during or in the course of the Employment with the Company or any Group Company (whether prior to the commencement of this Agreement or not) and shall use his reasonable endeavours (but not so as personally to incur any costs) to prevent the publication or disclosure by others of any such trade secret or confidential information, provided that the foregoing shall not apply to (a) confidential information which comes into the public domain otherwise than as a result of an unauthorised disclosure by the Executive; and/or (b) information that forms part of the Executive's skill and knowledge.

- 10.2 The Executive agrees that during the Employment and following its termination he will not, without the written permission of the Company, directly or indirectly make, publish or otherwise communicate any derogatory or defamatory statements whether in writing or otherwise concerning the Company or any Group Company or any of its or their directors, officers, agents, consultants, workers or employees.
- 10.3 The Company agrees that during the Employment and following its termination, it will not, without the written permission of the Executive, directly or indirectly authorise anyone to make, publish or otherwise publicly communicate any derogatory or defamatory statements whether in writing or otherwise concerning the Executive.
- 10.4 Nothing in this clause 10 shall prevent the Executive making a "permitted disclosure" in accordance with the Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998) or prevent the Executive from disclosing information which the Executive is required to disclose pursuant to a court order, in circumstances where the Executive is required by law to do so, where the Executive is disclosing to a law enforcement agency or to the extent necessary in connection with a criminal investigation or prosecution, or to HMRC.

## 11. **TERMINATION IN SPECIFIC CASES**

- 11.1 Without prejudice to any remedy which it may have against the Executive for the breach or non-performance of any of the provisions of this Agreement, the Company may terminate this Agreement at any time (by notifying the Executive in writing) without notice or payment in lieu of notice for "Cause" as set out below:
- 11.1.1 if he shall be in serious or repeated breach of any of his material obligations under this Agreement, provided that if such breach (or breaches) is capable of cure, he has first received a formal notice in writing in respect of a previous breach(es) and been given a reasonable opportunity to correct such breach(es);
- 11.1.2 if he shall refuse to carry out any lawful and reasonable order given to him in the course of the Employment or shall fail diligently to attend to any of his duties, provided always that if such refusal or failure is capable of cure, he has first received a formal notice in writing in respect of such refusal or failure and been given a reasonable opportunity to correct such refusal or failure;
- 11.1.3 if he commits any financially dishonest or fraudulent act in relation to the Company or any Group Company;

- 11.1.4 if he is convicted of any criminal offence which is punishable by imprisonment (other than a road traffic offence for which a penalty of imprisonment is not imposed);
  - 11.1.5 if he is guilty of gross misconduct or of any other conduct which brings or is likely to bring serious professional discredit to the Company or any Group Company or to himself;
  - 11.1.6 notwithstanding the actual or expected provision of disability benefits, if he has at any time become or is unable properly to perform his duties under this Agreement by reason of ill-health or accident either for a continuous period of 26 weeks or for periods aggregating 26 weeks in any consecutive period of 52 weeks;
  - 11.1.7 notwithstanding the actual or expected provision of disability benefits, if they become of unsound mind and a patient for the purpose of any statute relating to mental health;
  - 11.1.8 if a petition or application for an order in bankruptcy (including for a voluntary arrangement) is presented by or against the Executive or any person (including the Executive) becomes entitled to petition or apply for any such order; and
  - 11.1.9 if they have a disqualification order (as defined in Section 1 of the Directors Disqualification Act 1986) made against him or otherwise becomes prohibited by law from being a company director.
- 11.2 On the termination of the Employment for whatever reason, the Executive shall resign with immediate effect from all offices, directorships, positions and nominations held by him in the Company and in any Group Company and in any Associated Person or any other such position that the Executive holds at the direction or nomination of the Company or any Group Company. The Executive shall at the Company's expense execute and deliver promptly at the request of the Company and/or any Group Company and/or any Associated Person (as the case may be) all such documents as may reasonably be necessary for the purposes of giving full effect to this provision.
- 11.3 For the avoidance of doubt, any termination of the Employment shall be without prejudice to the Executive's entitlement to receive any salary and bonuses (if any) accrued but unpaid as at the effective date of termination, to reimbursement of any expenses to such date and to any entitlement pursuant to clause 2.4 above.

12. **ASSIGNMENT OF COPYRIGHT & OTHER INTELLECTUAL PROPERTY RIGHTS**

12.1 If at any time during (and in connection with) the Employment (whether or not during working hours or using Company premises or resources, and whether or not recorded in material form), the Executive discovers, or participates in the discovery of, any invention or improvement upon or addition to an invention which relates to, is applicable to or reasonably capable of being used in the business carried on by the Company or any Group Company (the "Invention"), the Executive shall immediately give to the Company full written details of the Invention. The Executive shall keep confidential all information relating to the Invention.

12.2 The Executive acknowledges that all intellectual property rights in:-

12.2.1 Inventions and all materials embodying them; and

12.2.2 all other materials whatsoever and in whatever form,

prepared by or contributed to by the Executive during the Employment shall automatically, on creation, belong to the Company absolutely to the fullest extent permitted by law. To the extent that any such intellectual property rights do not vest in the Company automatically, the Executive holds them on trust for the Company. For the purposes of this Agreement, intellectual property rights means patents, rights to inventions, copyright and related rights, trade marks, trade names and domain names, rights in get-up, goodwill and the right to sue for passing off, unfair competition rights, rights in designs, rights in computer software, database rights, topography rights, rights to use and preserve the confidentiality of information (including know-how and trade secrets) and any other intellectual property rights, in each case whether registered or unregistered and including all applications (or rights to apply) for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

12.3 The Executive hereby irrevocably waives all moral rights under the Copyright, Designs and Patents Act 1988 (and all similar rights in other jurisdictions) which the Executive has or will have in any existing or future works and materials referred to in this clause 12.

12.4 The Executive agrees promptly at any time, whether during or after the Employment, at the reasonable cost of the Company, to execute all documents and do all acts as may, in the opinion of the Company, be necessary to give effect to this clause 12.

**13. SUSPENSION**

The Company retains the right to suspend the Executive from the Employment on full salary and benefits at any time for a reasonable period (not to exceed 28 days) to investigate any matter of gross or serious misconduct in which the Executive is implicated or involved (whether directly or indirectly based on the Company's reasonable belief (acting in good faith)).

**14. ASSIGNMENT**

The benefit and burden of this Agreement (without alteration or amendment) may be assigned by the Company to any Group Company and in the case of an assignment of the burden of this Agreement the Executive agrees at the Company's expense to execute any consent required of him for the purposes of such assignment. References in this Agreement to the Company shall, unless the context otherwise requires, include references to any such assignee for the time being. For the avoidance of doubt, this Agreement (including all rights under it) is not assignable by the Executive. To the extent that any Group Company assignee fails to comply with the financial terms of this Agreement, the Company agrees it will remain liable to the Executive in relation to such financial terms.

**15. EXECUTIVE'S OBLIGATIONS ON TERMINATION OF EMPLOYMENT**

Upon the termination of the Employment, the Executive shall:-

15.1 forthwith deliver up to the Company all correspondence, drawings, documents and other papers together with all other property belonging to the Company or any Group Company; and

15.2 not at any time represent himself still to be connected with the Company or any Group Company.

**16. EFFECT OF TERMINATION**

The termination of this Agreement shall not operate to affect such of its provisions as are expressed to operate or have effect after such expiration or determination and shall be without prejudice to any other rights or remedies of the parties.

**17. COLLECTION & EXCHANGE OF PERSONAL INFORMATION**

17.1 The Executive acknowledges that the Company will from time to time process data that relates to him for the purposes of the administration and management of the

Company, in order to comply with applicable procedures, laws and regulations, and for other legitimate purposes.

17.2 The Executive agrees to comply with the Company's data protection policy when processing other people's data.

18. **SEARCH**

Solely in the event that the Company (acting in good faith) has good reason to believe that the Executive is acting in breach of the material terms of the Employment, the Company reserves the right to search the Executive's person, vehicle and property while on or departing from the Company's premises.

19. **WRITTEN NOTICE**

Any written notice required to be served under or pursuant to this Agreement shall be deemed duly served if in the case of notice to the Company it is sent by recorded delivery to or left at the Company's registered office and in the case of notice to the Executive if handed to him personally or sent by recorded delivery or ordinary first class letter post to his last known residential address in the United Kingdom or the United States and any notices so sent shall be deemed to have been received and served when the same should have been received in the ordinary course of such delivery or post.

20. **INTRANET**

Company policies applying to the Executive are available for inspection on the Company's intranet and the general terms and conditions of employment appearing therein shall apply to the Executive except where the terms contained on the Company's intranet are inconsistent with the provisions of this Agreement, when the provisions of this Agreement shall apply.

21. **EMAIL/INTERNET POLICY & PROCEDURE**

The Executive agrees to become familiar with and comply fully with the terms of the Company's E-mail and Internet Policy and Procedure as amended from time to time and the Executive acknowledges that action such as monitoring, intercepting, reviewing and/or accessing any communication facilities provided by the Company or any Group Company that the Executive may use during the Employment is necessary for the Company's or any Group Company's lawful business practice.



**22. WMG CODE OF CONDUCT**

The WMG Code of Conduct sets out the Company's commitment to carrying out business in a responsible manner. The Executive agrees to become familiar and adhere with the principles set forth in the WMG Code of Conduct, which the Company can amend from time to time. For the avoidance of doubt, the WMG Code of Conduct sets out principles and standards of behaviour which are of the utmost importance to the Company and to all Group Companies. A serious breach of the WMG Code of Conduct is therefore likely to lead to the Executive's dismissal without notice or payment in lieu of notice, pursuant to clause 11.1.5 above.

**23. BPI CODE OF CONDUCT**

The Executive agrees to comply fully with the terms of the BPI Code of Conduct as amended from time to time. A copy of the current BPI Code of Conduct is available from the Company's People team.

**24. CHANGES**

No variation or agreed termination of this Agreement shall be effective unless it is in writing and signed by the parties (or his authorised representatives).

**25. WRITTEN PARTICULARS**

This Agreement contains the written particulars of employment which the Executive is entitled to receive under the provisions of Part 1 of the Employment Rights Act 1996.

**26. POWER OF ATTORNEY**

The Executive hereby irrevocably and by way of security appoints each other director of the Company from time to time, jointly and severally, to be his attorney in his name and on his behalf execute and deliver all such documents and perform all such acts and things as may reasonably be required for the purposes of giving full effect to this Agreement (including, but not limited to clauses 2.2.4, 11.2 and 12.3 above) and the Executive hereby agrees promptly on the request of the Company to ratify and confirm all such acts, things and documents properly signed, properly executed or properly done in the pursuance of this power. For the avoidance of doubt, the power of attorney herein shall not be available in relation to any settlement agreement referred to at clause 2.4 above.

**27. COLLECTIVE AGREEMENTS**

There is no collective agreement which applies to the Employment.

**28. PREVIOUS AGREEMENTS**

This Agreement contains the whole agreement and supersedes any previous written or oral agreement between the parties in relation to the matters dealt with in it and for the avoidance of doubt, replaces all prior agreements in relation to royalties or bonus arrangements.

**29. GOVERNING LAW AND JURISDICTION**

The validity, construction and performance of this Agreement and any claim, dispute or matter arising under or in connection with it or its enforceability will be governed by and construed in accordance with English law. Each party irrevocably submits to the non-exclusive jurisdiction of the English courts.

**30. DEFINITIONS**

For the purposes of this Agreement:-

- 30.1 "Associated Person" means any entity, association, company, body or partnership (whether incorporated or unincorporated and whether or not having separate legal personality) in which the Company and/or a Group Company holds directly or indirectly whether in its or their own name or jointly with any other person or persons any share, interest or right whatsoever.
- 30.2 "Group Company" means any holding company of the Company and any subsidiary of the Company or of any such holding company each as defined by section 1159 of the Companies Act 2006, and references to "Group" shall be construed accordingly. For the avoidance of doubt, any references to "Group Company" or "Group" shall only include WMG and entities owned or controlled or under common control with entities below WMG.
- 30.3 "Board" means the board of directors of the Company from time to time or any committee of the Board to which powers have been properly delegated, including without limitation a remuneration committee.

**31. ANNOUNCEMENT**

The Company shall consult with the Executive prior to making any announcement in relation to the Employment and there shall be no announcements made in relation to any other changes to the Company's executives' existing roles or the restructuring of the Company's business without prior consultation with the Executive and both parties shall act in good faith in relation thereto.

**IN WITNESS** this agreement has been entered into as a deed on the date stated at the beginning of it.

EXECUTED AS A DEED BY  
**WARNER MUSIC INTERNATIONAL  
SERVICES LIMITED** acting by:

/s/ Paul M. Robinson

Director

*Witness signature /s/ Trent N. Tappe*

*Name Trent N. Tappe*

*Address 1633 Broadway  
New York, NY 10019*

*Occupation Lawyer*

EXECUTED AND DELIVERED  
AS A DEED by  
**MAX LOUSADA** /s/ Max Lousada  
in the presence of:

*Witness signature /s/ Nikki Elms*

*Name Nikki Elms*

*Address*

*Occupation PA*

EMPLOYMENT SEPARATION AGREEMENT AND RELEASE

This EMPLOYMENT SEPARATION AGREEMENT AND RELEASE (“Agreement”), dated as of January 17, 2023, is entered into between Stephen Cooper (“you”) and Warner Music Group Corp. (“Company”).

WHEREAS, the Board of Directors of Company (the “Board”) has selected Robert Kyncl to be the next Chief Executive Officer of Company;

WHEREAS, you have advised Company that you will retire from Company on January 31, 2023 (the “Separation Date”), subject to the commencement of Mr. Kyncl’s employment with Company on January 1, 2023 (the “Transition Date”), and you and Mr. Kyncl have agreed to serve as Co-Chief Executive Officers of Company from the Transition Date through the Separation Date;

WHEREAS, following the Separation Date, Company wishes to engage you to furnish your services as a consultant from February 1, 2023 through January 31, 2024 (the “Consulting Period”), and you agree to furnish your services as set forth in this Agreement during the Consulting Period; and

WHEREAS, you and Company desire to specify, as well as settle and conclude, your rights and obligations in connection with your employment with, and separation from, Company and its affiliates.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, you and Company agree as follows:

1. Transition; Employment Separation Date. Subject to the commencement of Mr. Kyncl’s employment with Company on the Transition Date, (a) during the period from the Transition Date through the Separation Date (the “Transition Period”), you shall render services to Company as Co-Chief Executive Officer (alongside Mr. Kyncl, who will also serve with you as Co-Chief Executive Officer during the Transition Period) and (b) your employment with Company will end on the Separation Date. During the Transition Period, your responsibilities as Co-Chief Executive Officer shall be as directed by the Board and your compensation and benefits will be the same as in effect immediately prior to the Transition Date. As of the Separation Date, you will have no further authority or responsibilities as an employee or executive of Company, provided that you shall thereafter furnish your services as a consultant to Company in accordance with Paragraph 2. Also effective as of the Separation Date, you hereby resign as an officer and director of Company and its subsidiaries and affiliates (as applicable), and you hereby further agree to execute promptly at Company’s request any additional documents necessary to effectuate this.

2. Consultancy. During the Consulting Period, you agree to furnish your consulting services to Company as requested on occasion from time to time by Company’s Chief Executive Officer (the “Consultancy”), subject to the terms and conditions set forth in this Agreement. You agree that you shall render such services to Company conscientiously, devote your good faith efforts and abilities thereto and be available to Company on a reasonable basis during the Consulting Period. After the Separation Date, you shall not be entitled to or eligible for any benefits offered by Company to employees, including medical, dental and vision insurance, 401(k), paid time off and any other fringe benefits, except as expressly provided in this Agreement.

3. Termination.

(a) Death; Disability; Without Cause. Your employment and/or the Consultancy, as applicable, (i) shall, if then in effect, automatically terminate upon your death or “Disability” (as defined in Company’s 2020 Omnibus Incentive Plan (as may be amended from time to time, the “Plan”)) and (ii) may be terminated at any time by Company without “Cause” (as defined in the Restricted Stock Unit Award Terms and Conditions applicable to your previous awards of Restricted Stock Units of Company (“Cause”)) (each, a “Qualifying Termination”). Upon a Qualifying Termination, Company shall, in each case, pay to you, your estate or representative, as applicable, any unpaid compensation, including your base salary (through the Separation Date), the Severance Payment and the annual awards of Restricted Stock Units (“RSUs”) (as such terms are defined in the Plan) pursuant to Paragraph 4(c) and the annual awards of shares pursuant to Paragraph 4(d), at the time such unpaid compensation would otherwise have been payable under this Agreement (the “Termination Benefits”). For the avoidance of doubt, in the event your employment is terminated in a Qualifying Termination prior to the Separation Date, the Consultancy shall also be terminated and you shall be entitled to receive the applicable Termination Benefits in respect of the Consultancy.

(b) Cause; Resignation or Termination by You. Company may terminate your employment and/or the Consultancy, as applicable, if you engage in any act or omission that constitutes Cause. If Company terminates your employment and/or the Consultancy for Cause or you terminate your employment or the Consultancy for any reason, you will forfeit all rights and entitlements to any unpaid amounts under this Agreement, including the Termination Benefits.

4. Consideration. The following consideration is in exchange for the promises you are making in this Agreement, and specifically the release in Paragraph 6(a) and the Re-affirmation (as defined below), provided that (x) this Agreement is executed in full no later than twenty-one (21) days following the date you receive this Agreement; (y) the Re-affirmation is executed and delivered to Company by you within five (5) business days following the end of the Consulting Period; and (z) neither this Agreement nor the Re-affirmation is revoked. Notwithstanding anything to the contrary, all payments made to you hereunder shall be subject to withholding and deductions in accordance with Paragraph 22(a).

(a) Company will pay you in a lump sum on the next possible pay cycle following the later of the Separation Date and the date this Agreement becomes nonrevocable pursuant to Paragraph 13(b), an amount (the "COBRA Payment") such that after deduction of required withholding thereon, the net amount payable to you equals sixteen thousand four hundred eighty-nine dollars and twenty cents (\$16,489.20), representing Company's estimate of your cost for COBRA benefit continuation coverage for a period of eighteen (18) months following the Separation Date.

(b) Company will pay you a cash severance payment (the "Severance Payment") equal to a gross amount of two million dollars (\$2,000,000), representing an annualized rate equal to your current base salary of three million dollars (\$3,000,000), payable in substantially equal installments during the eight-month period beginning the day after the Separation Date and continuing until such amount is paid in full. Such payments shall commence on the next possible pay cycle following the Separation Date provided that you have executed and not revoked this Agreement prior to such date. You are not required to seek other employment to receive the Severance Payment, and Company will not reduce the Severance Payment if you obtain other earnings.

(c) You shall be eligible to receive an annual award of RSUs for each of Company's 2022 and 2023 fiscal years. The awards will be granted under the Plan on a date selected by the Administrator (as defined in the Plan) during the 2023 and 2024 calendar years, as applicable, which is expected to be in January 2023, and January 2024, respectively. The aggregate annual pre-tax, grant date target value of RSUs granted to you in respect of each such fiscal year shall be seven million dollars (\$7,000,000), with the number of shares of Company's Class A common stock covered by such awards determined by the average closing share price of Company's Class A Common Stock for the twenty (20) trading days preceding the grant date selected by the Administrator.

(d) Company shall grant to you an annual bonus with a target amount of seven million dollars (\$7,000,000) with respect to each of Company's 2022 and 2023 fiscal years. For each such fiscal year, the actual bonus amount earned by you will be determined by the Compensation Committee of the Board based on corporate performance measures for the applicable fiscal year as established and determined by the Compensation Committee of the Board; provided that the bonus shall be payable in fully vested shares of Company's Class A Common Stock granted under the Plan, with the number of such shares determined based on the average closing price of such shares for all trading days in the fiscal year to which the annual bonus relates (i.e., the fiscal year immediately preceding the grant date). The annual bonuses, to the extent earned, will be paid during the 2023 and 2024 calendar years, as applicable, on the date on which bonuses are paid to executives of Company in respect of fiscal year 2022 and fiscal year 2023, respectively. You acknowledge that Company's issuance and transfer to you of shares in accordance with this Paragraph 4(d) will satisfy Company's obligations with respect to the applicable annual bonus hereunder, and you further agree that you will comply with Company's insider trading policy (as then in effect), with respect to any transactions involving those shares.

5. Payment of Accrued Wages and Time Off; COBRA Coverage; Equity Awards.

(a) Payment of Accrued Wages and Time Off. Company will pay your wages accrued through the Separation Date, and accrued and unused vacation time and personal time as of the Separation Date, in each case in accordance with Company's policies.

(b) COBRA Coverage. You may have the right, in accordance with and subject to the Consolidated Omnibus Budget Reconciliation Act, as amended ("COBRA"), to elect to continue medical health insurance coverage, including dental and vision insurance coverage, under the group insurance plans maintained by Company in accordance with the terms of the applicable plans and to the extent that you had elected such coverage prior to the Separation Date, for such period of time as required under COBRA and at your expense (subject to any

premium subsidy required under applicable law). Further information regarding COBRA coverage, including enrollment forms and premium quotations, will be sent to you separately.

(c) Equity Awards. Any outstanding awards granted to you under the Plan, including pursuant to this Agreement, shall be governed by the terms of the Plan and the applicable award agreements pursuant to which such awards were granted (collectively, the “Award Agreements”), and in the case of equity awards that may be granted to you under this Agreement, this Agreement. This Agreement, including Paragraph 6(b), is not intended to and does not waive or limit any of Company’s rights or any of your obligations under the Award Agreements or Company’s Clawback and Forfeiture Policy (as in effect from time to time, the “Clawback Policy”).

6. Mutual Waiver and Release.

(a) Waiver and Release by You. You agree that you are not otherwise entitled to receive the consideration described in Paragraph 2 and Paragraph 4 or Company’s release pursuant to Paragraph 6(b), and that such consideration is sufficient consideration for the following waiver and release. In exchange for the payments and other benefits you are receiving under this Agreement, you, on behalf of yourself and each of your personal representatives, heirs, estate, successors and assigns (collectively, “Your Group”), agree to waive, release and forever discharge Company, its successors, direct or indirect parents, direct or indirect subsidiaries and affiliates, and each of their respective current and former directors, officers, equity holders, partners (general or limited), members, agents, representatives and employees, and the employee benefit plans and programs of each, including any long-term incentive plans (all such plans and programs and any successor plan thereto, collectively, the “Employee Benefit Plans”), and the plan sponsors, plan administrators, benefit officers, administrative committees, investment committees and administrative committees of the Employee Benefit Plans, and all successors and assigns of all of the foregoing (collectively, “Company Group”) from **all claims of any kind** as of the date you sign this Agreement. You, on behalf of yourself and Your Group, release Company Group from liability for any claims or damages you may have against it as of the date you sign this Agreement, whether those claims are known to you or unknown, *except* for claims that cannot be waived or released under law or as otherwise provided in Paragraphs 17 and 18. Your release on behalf of yourself and Your Group as of the date you sign this Agreement includes all claims relating to your employment, the Consultancy, service on the Board, your benefits through Company or the termination of your employment and the Consultancy, whether arising under common law, federal, state or local law, regulation, ordinance or order. Examples of claims waived and released by you on behalf of you and Your Group include any alleged violation of the following laws and other sources of legal rights, each as amended and including regulations issued thereunder:

- Title VII of the Civil Rights Act of 1964;
- Sections 1981 through 1988 of Title 42 of the United States Code;
- the Employee Retirement Income Security Act of 1974 (except to the extent provided otherwise in Paragraph 17);
- the Immigration Reform and Control Act of 1986;
- the Americans with Disabilities Act of 1990;
- the Age Discrimination in Employment Act of 1967;
- the Worker Adjustment and Retraining Notification Act;
- the Occupational Safety and Health Act;
- the Rehabilitation Act of 1973;
- the Fair Credit Reporting Act;
- the Equal Pay Act;
- the Family and Medical Leave Act;
- the Civil Rights Act of 1991;
- the Genetic Information Nondiscrimination Act;
- the New York Human Rights Law;
- the New York Executive Law;
- the New York Labor Law;

- the New York Civil Rights Law;
- the New York Equal Pay Law;
- the New York Whistleblower Law;
- the New York Wage-Hour and Wage Payment Laws and Regulations;
- the New York Minimum Wage Law;
- the Anti-Retaliation/Non-Discrimination Provisions of the New York Workers' Compensation Law and the New York State Disabilities Benefits Law;
- the New York State Worker Adjustment and Retraining Notification Act;
- the New York Paid Family Leave Law;
- the New York City Human Rights Law;
- the New York City Administrative Code and Charter;
- any other federal, state, local or other law, rule, regulation, constitution, code, executive order, guideline or ordinance;
- any public policy, contract (oral or written, express or implied), tort law or common law; and
- any act, statute, common law, agreement or other basis for seeking or recovering any award of costs, fees or other expenses, including attorneys' fees and/or costs.

(b) Waiver and Release by Company. Subject to Paragraph 5(c), Paragraph 8 and Paragraph 20 and provided that you have not revoked the waiver and release of claims or the Re-affirmation, Company, on behalf of itself and its subsidiaries, waives, releases and forever discharges you and Your Group from all claims Company and its subsidiaries may have against you and Your Group as of the date Company signs this Agreement, under any common law, federal, state or local law, regulation, ordinance or order, arising out of your employment and the Consultancy, except for any claim to enforce this Agreement or any claim that you or Your Group committed a crime or engaged in acts or omissions to act constituting fraud, other willful misconduct, gross negligence or a material violation of material Company policies.

(c) Re-affirmation of Your Waiver and Release. In addition to the other provisions of this Agreement, in exchange for the consideration described in Paragraph 2 and Paragraph 4 and Company's release pursuant to Paragraph 6(b), you shall execute and deliver to Company within five (5) business days following the Separation Date the re-affirmation of the waiver and release of claims and acknowledgments that are set forth in this Paragraph 6 and Paragraph 7 in the form attached hereto as Exhibit A (the "Re-affirmation"). The seven (7) day revocation period applicable to your waiver and release of claims set forth in Paragraph 6 of this Agreement, which is described in Paragraph 13(b), shall also apply to your execution and delivery of the Re-affirmation.

7. Acknowledgments and Affirmations. You affirm that:

(a) you have not filed, caused to be filed, or presently are a party to any claim against Company Group;

(b) except for the payments and benefits expressly set forth in this Agreement, as of the date you sign this Agreement (i) you have been paid and/or have received all compensation, wages, bonuses, commissions and/or benefits which are due and payable, including any vacation time you have earned but have not used as of the Separation Date, and (ii) you are not entitled to any other payments or benefits from Company, including pursuant to the Warner Music Inc. Severance Plan for Regular U.S. Employees. You will not accrue any vacation time or other employee benefits following the Separation Date;

(c) Company has granted you any leave to which you were entitled from Company under the Family and Medical Leave Act or related state or local leave or disability accommodation laws;

(d) you have no known workplace injuries or occupational diseases;

(e) you are not aware of any fraud or wrongdoing by Company Group and you have not been retaliated against for reporting any allegations of fraud or other wrongdoing by Company Group;

(f) all of Company's decisions regarding your pay and benefits through the date you sign this Agreement were not discriminatory based on age, disability, race, color, sex, religion, national origin or any other classification protected by law; and

(g) Company owns all rights of every kind and character throughout the world in perpetuity in and to any material and/or ideas written, suggested or in any way created by you in connection with or related to your employment with Company and all other results and proceeds of your employment services to Company, including all copyrightable material created by you within the scope of your employment, and you agree to execute and deliver to Company such assignments or other instruments as Company may require to evidence Company's ownership of the results and proceeds of your employment.

8. Confidentiality and Non-Disclosure. Except as otherwise provided in Paragraph 10 or Paragraph 18, you shall not at any time exploit, use, sell, publish, disclose or communicate to any person, corporation or entity, either directly or indirectly, any trade secrets, privileged information, confidential information, business information or proprietary information regarding Company Group, including the terms of any agreements including this Agreement between Company or any of its affiliates and any third party (except that you may disclose the financial terms of this Agreement to tax authorities and to your attorneys and accountants). You shall not during the one-year period following the date hereof, without the prior written approval of Executive Vice President & Chief Communications Officer of Company, discuss any Company Topic (as defined below) with any press or media representative, nor shall you provide any information regarding any Company Topic to any press or media representative. "Company Topic" shall mean any matter relating to Company or its affiliates, including any of their respective employees, artists or songwriters.

9. Cooperation. To the extent allowed by law, you agree to cooperate reasonably and truthfully with Company in the prosecution, defense, investigation, regulatory action or pursuit of any matter in which Company determines you were involved during your employment or the Consultancy, as applicable, or about which you may have knowledge. You also agree not to voluntarily aid or assist any legal action or proceeding filed by third parties against Company, unless your participation is required under the law.

10. Protected Disclosures and Statements. Nothing in this Agreement prohibits you from responding truthfully to a lawfully issued subpoena, court order, or other binding request by a regulatory agency or governmental authority or reporting possible violations of U.S. federal law or regulation to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of U.S. federal law or regulation. However, except as provided otherwise in this Agreement, you are not authorized to disclose any information covered by Company Group's attorney-client privilege or attorney work product or Company Group's trade secrets without prior written consent of the Executive Vice President & General Counsel of Company. Further, Company hereby informs you, and you hereby acknowledge, in accordance with 18 U.S.C. Section 1833(b), that you may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret where the disclosure (a) is made (i) in confidence to a federal, state or local government official, either directly or indirectly, or to any attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

11. Return of Property. No later than the Separation Date, you agree to return to Company all property of Company in your possession, including keys, identification cards, files, records, credit cards, electronic equipment, books and manuals issued to you by Company, and all confidential memoranda, notes, records, reports and other documents (and all copies thereof) relating to the business of Company which you possess or have under your control; provided that you may retain your personal files (i.e., your files not related to Company) and a copy of your address book.

12. Expense Reimbursement. Company shall pay for reasonable expenses actually incurred, or reimburse you for reasonable expenses paid, by you during the Transition Period and the Consulting Period in the performance of your services hereunder to the same extent that applied to you during your employment as Chief Executive Officer of Company upon presentation of expense statements or such other supporting information as Company may customarily require.

13. Representations and Effective Date.

(a) Consideration Period. You understand that this Agreement is a legally binding document under which you are giving up certain rights, including any rights you have or may have under the Age Discrimination in Employment Act of 1967 and the Older Workers Benefit Protection Act of 1990 arising from your employment with Company, the termination of that employment or the consultancy or any other dealings of any kind between you and Company Group as of the date you sign this Agreement and as of the date you sign the Re-



affirmation unless you have revoked this Agreement or the Re-affirmation pursuant to Paragraph 13(b), in consideration for the monies and/or benefits specified in Paragraph 2 and Paragraph 4 and Company's release pursuant to Paragraph 6(b). You acknowledge that you have been advised to discuss this Agreement and the Re-affirmation with an attorney and other professional persons unrelated to Company before you sign them, and that you have been given the time necessary to seek such advice and counsel. You have had at least twenty-one (21) days to consider this Agreement and the Re-affirmation. You also agree that the twenty-one (21) day consideration period will not restart if changes, material or immaterial, are made to this Agreement or the Re-affirmation, and you waive any right you might have to restart the running of the twenty-one (21) day consideration period. You acknowledge that you have read this Agreement and the form of the Re-affirmation and that you have signed this Agreement and agree to the form of the Re-affirmation freely and voluntarily, with full knowledge of all material facts.

(b) Revocation Period. You understand you may revoke this Agreement within seven (7) days of its execution, by notifying Company in writing of your desire to revoke this Agreement. If you revoke this Agreement, this Agreement will have no legal effect. Any revocation within this period must be submitted, in writing, to Executive Vice President & General Counsel of Company, and must state: "Acceptance of the Employment Separation Agreement and Release is hereby revoked." The revocation must be either: (i) personally delivered to Executive Vice President & General Counsel of Company, 1633 Broadway, New York, NY 10019, within seven (7) days after you sign this Agreement; (ii) mailed to Executive Vice President & General Counsel, at the address specified above by First Class United States mail and postmarked within seven (7) days after you sign this Agreement; or (iii) delivered to Executive Vice President & General Counsel of Company, at the address specified above through a reputable overnight service with documented evidence that it was sent within seven (7) days after you signed this Agreement. The provisions of this Agreement are not binding until eight (8) days after the execution of this Agreement by you (and provided you have not revoked your acceptance pursuant to this Paragraph). All references to the Agreement in this Paragraph 13(b) shall apply with equal force and effect to the Re-affirmation.

14. Complete Agreement. This Agreement (for purposes of this Paragraph, together with the Re-affirmation, this "Agreement") reflects the final and complete agreement between you and Company with respect to the subjects addressed by it. This Agreement supersedes any and all prior agreements between you and Company, excluding the Award Agreements and the Clawback Policy. No modification or waiver of the terms of this Agreement will be valid unless made in writing and signed by you and an officer of Company. This Agreement may be executed in two or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile transmission or by email or other electronic transmission method, and signatures created or transmitted by electronic means, including DocuSign (or any other signature complying with the federal E-SIGN Act of 2000 or any applicable Uniform Electronic Transactions Act or Electronic Signatures and Records Act), PDF or JPEG, shall constitute original signatures, shall be deemed to have been duly and validly created and delivered, and shall be valid and binding for all purposes.

15. Severability, Definitions and Interpretations. If any provision of this Agreement is ruled invalid, that will not affect any other provisions of this Agreement that can be given effect without the invalid provision. The provisions of this Agreement are severable. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. The words (a) "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation," and (b) "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof.

16. Choice of Law and Jury Trial Waiver.

(a) Choice of Law. This Agreement will be governed by and construed according to the laws of the State of New York without regard to any choice of law provisions. Exclusive jurisdiction of any dispute, action, proceeding or claim arising out of or relating to this Agreement shall lie in the state or federal courts in the State of New York, located in New York County.

(b) JURY TRIAL WAIVER. IN THE UNLIKELY EVENT THAT DIFFERENCES ARISE BETWEEN THE PARTIES RELATED TO OR ARISING FROM THIS AGREEMENT THAT ARE NOT RESOLVED BY MUTUAL AGREEMENT, TO FACILITATE A JUDICIAL RESOLUTION AND SAVE TIME AND EXPENSE OF THE PARTIES, YOU AND COMPANY AGREE NOT TO DEMAND A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM.

17. Claims Not Released. You are not waiving any rights you may have to: (a) your own vested accrued employee benefits under any health, welfare or retirement benefit plans of Company as of the Separation Date; (b) benefits and/or the right to seek benefits under applicable workers' compensation and/or unemployment

compensation statutes; (c) reimbursement of unreimbursed business, travel and entertainment expenses that you properly incur and present prior to the Separation Date in accordance with Company policy (d) pursue claims which by law cannot be waived by signing this Agreement, including any awards that you become entitled to be paid; (e) indemnification from Company or its affiliates or inclusion as a beneficiary under a director's and officer's insurance policy, including, for the avoidance of doubt, pursuant to Paragraph 21; (f) enforce this Agreement; and/or (g) challenge the validity of this Agreement.

18. Government Agencies. Nothing in this Agreement prohibits or prevents you from filing a charge or communicating with, providing documents or information to, or participating, testifying or assisting in any investigation, hearing or other proceeding before, any federal, state or local government agency or regulatory authority, including the EEOC, NLRB, OSHA or the SEC. This Agreement does not limit your right to receive an award or bounty for information provided to any governmental agencies, including under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Any non-disclosure, confidentiality or waiver provision in this Agreement does not prohibit you from initiating communications directly with, responding to any inquiry from, or providing testimony before, any self-regulatory organization or state or federal regulatory authority, regarding Company, your employment, the Consultancy, this Agreement or its underlying facts or circumstances. Any cooperation provision in this Agreement does not require you to contact Company regarding the subject matter of any such communications. By signing this Agreement, however, you waive the right to receive damages or monetary recovery from any such charge you may file or which is filed on your behalf, but it will not limit your right to receive an incentive award authorized under federal or state statute or regulation for information provided to any federal or state regulatory, government or law enforcement agencies, if applicable.

19. Collective/Class Action Waiver. If any claim is not subject to release, to the extent permitted by law, you waive any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on such a claim in which Company or any of its affiliates is a party.

20. Non-Solicitation; Remedies. For a period commencing on the date hereof and ending one year after the expiration of the Consulting Period, you shall not, without the prior written consent of Company, directly or indirectly, as an employee, agent, consultant, partner, joint venturer, owner, officer, director, member of any other firm, partnership, corporation or other entity, or in any other capacity: (a) solicit, negotiate with, induce or encourage any recording artist (including a duo or a group), publisher or songwriter who at the time is, or who within the one-year prior period was, either directly or through a furnishing entity, under contract to Company or any affiliate of Company or a label distributed by Company or an affiliate of Company, to end its relationship with Company, Company affiliate or label, to violate any provision of his or her contract or to enter into an exclusive recording or music publishing agreement with any other party or (b) solicit, negotiate with, induce or encourage any individual who at the time is, or who within the six-month prior period was, an employee of Company or any Company affiliate in the United States to leave his or her employment or to commence employment with any other party. You acknowledge that your violation of any of the restrictive covenants contained in Paragraph 8 (Confidentiality and Non-Disclosure) or this Paragraph 20 (Non-Solicitation; Remedies) would cause irreparable damage to Company in an amount that would be material but not readily ascertainable, and that any remedy at law (including the payment of damages) would be inadequate. In addition to the foregoing, Company shall be entitled to specific performance and other injunctive relief (including temporary restraining orders, preliminary injunctions and permanent injunctions), without the requirement to post bond, in any court of competent jurisdiction for your actual or threatened breach of any of the covenants set forth in this Agreement. The period during which any such covenant applies shall be deemed automatically extended by any period during which you are in violation of the provisions thereof.

21. Indemnity. Except as set forth in Paragraph 22(b), Company agrees to indemnify you against expenses (including final judgments and amounts paid in settlement to which Company has consented in writing, which consent shall not be unreasonably withheld) in connection with litigation against you arising out of the performance of your duties for Company; provided that: (a) the foregoing indemnity shall only apply to matters for which you performed your duties for Company in good faith and in a manner you reasonably believed to be in or not opposed to the best interests of Company and not in contravention of the instructions of the Board or, following the Separation Date, Company's Chief Executive Officer and (b) you shall have provided Company with prompt notice of the commencement of any such litigation. Company will provide defense counsel selected by Company. You agree to cooperate in connection with any such litigation.

22. Taxes; Withholding.

(a) Tax Withholding. All payments made to you hereunder (including the Severance Payment, COBRA Payment, RSUs and shares of Class A Common Stock) shall be reported as compensation on Form W-2 and subject to tax withholding, social security taxes and other ordinary and customary payroll tax

deductions. You agree that you will not, directly or indirectly, challenge or object to Company taking any of the positions described in the immediately preceding sentence.

(b) Section 409A. The Company agrees that the payments and benefits provided to you under this Agreement comply with or are exempt from Section 409A of the Internal Revenue Code of 1986, as amended (including the regulations and guidance promulgated thereunder, “Section 409A”). References under this Agreement to a termination of your employment shall be deemed to refer to the date upon which you have experienced a “separation from service” within the meaning of Section 409A.

Date: January 17, 2023 /s/ Stephen Cooper  
Stephen Cooper

WARNER MUSIC GROUP CORP.

Date: January 17, 2023 By: /s/ Paul Robinson

Name: Paul Robinson  
Executive Vice President and General Counsel

Re-affirmation of Waiver and Release

As of January 31, 2023

To: Warner Music Group Corp. (“Company”)

Reference is made to that certain Employment Separation Agreement and Release, dated as of January 17, 2023 (the “Separation Agreement”), previously entered into by and between Stephen Cooper and Company. Capitalized terms used but not defined in this Re-affirmation of Waiver and Release shall the meanings ascribed to such terms in the Separation Agreement.

As provided in the Separation Agreement, effective as of the date hereof, Stephen Cooper hereby restates and re-affirms and again provides Company with the waiver and release of claims and acknowledgements set forth in Paragraph 6(a) and Paragraph 7 of the Separation Agreement.

Sincerely,

\_\_\_\_\_  
Stephen Cooper

## CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Robert Kyncl, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended December 31, 2022 of Warner Music Group Corp. (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s Board of Directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Dated: February 9, 2023

/s/ ROBERT KYNCL  
\_\_\_\_\_  
Chief Executive Officer  
(Principal Executive Officer)

## CHIEF FINANCIAL OFFICER CERTIFICATION

I, Eric Levin, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the period ended December 31, 2022 of Warner Music Group Corp. (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s Board of Directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Dated: February 9, 2023

/s/ ERIC LEVIN  
\_\_\_\_\_  
**Chief Financial Officer**  
**(Principal Financial and Accounting Officer)**

**Certification of the Chief Executive Officer  
Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Warner Music Group Corp. (the "Company") on Form 10-Q for the period ended December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Kyncl, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 9, 2023

/s/ ROBERT KYNCL

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**Robert Kyncl**  
**Chief Executive Officer**

**Certification of the Chief Financial Officer  
Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Warner Music Group Corp. (the "Company") on Form 10-Q for the period ended December 31, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric Levin, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 9, 2023

/s/ ERIC LEVIN  
\_\_\_\_\_  
Eric Levin  
Chief Financial Officer