

**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 MARCH 31, 2023
OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____
COMMISSION FILE NUMBER 001-35964

COTY INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

350 Fifth Avenue,
New York, NY
(Address of principal executive offices)

13-3823358
(I.R.S. Employer Identification No.)

10118
(Zip Code)

(212) 389-7300
Registrant's telephone number, including area code

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, a 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

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class
Class A Common Stock, \$0.01 par value

Trading symbol(s)
COTY

Name of each exchange on which registered
New York Stock Exchange

At April 30, 2023, 852,796,812 shares of the registrant's Class A Common Stock, \$0.01 par value, were outstanding.

COTY INC.
INDEX TO FORM 10-Q

	<u>Page</u>
<u>Part I:</u>	
<u>FINANCIAL INFORMATION</u>	
<u>Item 1.</u>	
<u>Condensed Consolidated Financial Statements (Unaudited)</u>	<u>1</u>
<u>Condensed Consolidated Statements of Operations for the three and nine months ended March 31, 2023 and 2022</u>	<u>1</u>
<u>Condensed Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended March 31, 2023 and 2022</u>	<u>2</u>
<u>Condensed Consolidated Balance Sheets as of March 31, 2023 and June 30, 2022</u>	<u>3</u>
<u>Condensed Consolidated Statements of Equity for the three and nine months ended March 31, 2023 and 2022</u>	<u>4</u>
<u>Condensed Consolidated Statements of Cash Flows for the nine months ended March 31, 2023 and 2022</u>	<u>8</u>
<u>Notes to Condensed Consolidated Financial Statements</u>	<u>10</u>
<u>Item 2.</u>	
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>34</u>
<u>Item 3.</u>	
<u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>57</u>
<u>Item 4.</u>	
<u>Controls and Procedures</u>	<u>58</u>
<u>Part II:</u>	
<u>OTHER INFORMATION</u>	
<u>Item 1.</u>	
<u>Legal Proceedings</u>	<u>58</u>
<u>Item 1A.</u>	
<u>Risk Factors</u>	<u>58</u>
<u>Item 2.</u>	
<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>58</u>
<u>Item 6.</u>	
<u>Exhibits</u>	<u>59</u>
<u>Signatures</u>	<u>60</u>

PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

COTY INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)
(Unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Net revenues	\$ 1,288.9	\$ 1,186.2	\$ 4,202.5	\$ 4,136.1
Cost of sales	478.1	423.1	1,504.7	1,489.0
Gross profit	810.8	763.1	2,697.8	2,647.1
Selling, general and administrative expenses	720.4	659.3	2,145.4	2,154.5
Amortization expense	48.2	50.2	143.1	158.6
Restructuring costs	(1.3)	(6.8)	(5.4)	1.5
Acquisition- and divestiture-related costs	—	3.3	—	14.2
Operating income	43.5	57.1	414.7	318.3
Interest expense, net	58.8	62.9	185.7	183.6
Other income, net	(156.9)	(60.6)	(397.0)	(572.9)
Income from continuing operations before income taxes	141.6	54.8	626.0	707.6
Provision for income taxes on continuing operations	29.8	0.5	138.3	164.5
Net income from continuing operations	111.8	54.3	487.7	543.1
Net income from discontinued operations	—	0.7	—	4.5
Net income	111.8	55.0	487.7	547.6
Net income (loss) attributable to noncontrolling interests	1.0	(0.9)	(0.4)	(2.3)
Net income attributable to redeemable noncontrolling interests	2.4	2.3	12.8	8.9
Net income attributable to Coty Inc.	\$ 108.4	\$ 53.6	\$ 475.3	\$ 541.0
Amounts attributable to Coty Inc.				
Net income from continuing operations	108.4	52.9	475.3	536.5
Convertible Series B Preferred Stock dividends	(3.3)	(3.3)	(9.9)	(195.0)
Net income from continuing operations attributable to common stockholders	105.1	49.6	465.4	341.5
Net income from discontinued operations	—	0.7	—	4.5
Net income attributable to common stockholders	\$ 105.1	\$ 50.3	\$ 465.4	\$ 346.0
Earnings per common share:				
Earnings from continuing operations per common share - basic	\$ 0.12	\$ 0.06	\$ 0.55	\$ 0.42
Earnings from continuing operations per common share - diluted	0.12	0.06	0.54	0.42
Earnings per common share - basic	0.12	0.06	0.55	0.42
Earnings per common share - diluted	0.12	0.06	0.54	0.42
Weighted-average common shares outstanding:				
Basic	851.6	838.4	848.1	814.8
Diluted	865.2	852.9	885.8	827.5

See notes to Condensed Consolidated Financial Statements.

COTY INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions)
(Unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Net income	\$ 111.8	\$ 55.0	\$ 487.7	\$ 547.6
Other comprehensive income (loss):				
Foreign currency translation adjustment	80.8	35.4	35.7	(215.4)
Net unrealized derivative gain (loss) on cash flow hedges, net of taxes of \$0.9 and \$(0.8), and \$1.6 and \$(4.2) during the three and nine months ended, respectively	(2.1)	4.6	(5.1)	14.5
Pension and other post-employment benefits adjustment, net of tax of \$0.4 and \$(0.6), and \$0.4 and \$(0.6) during the three and nine months ended, respectively	(0.6)	(0.2)	(2.3)	2.1
Total other comprehensive income (loss), net of tax	78.1	39.8	28.3	(198.8)
Comprehensive income	189.9	94.8	516.0	348.8
Comprehensive income attributable to noncontrolling interests:				
Net income (loss)	1.0	(0.9)	(0.4)	(2.3)
Foreign currency translation adjustment	(0.2)	(0.1)	0.1	(0.4)
Total comprehensive income (loss) attributable to noncontrolling interests	0.8	(1.0)	(0.3)	(2.7)
Comprehensive income attributable to redeemable noncontrolling interests:				
Net income	2.4	2.3	12.8	8.9
Foreign currency translation adjustment	—	—	0.1	—
Total comprehensive income attributable to noncontrolling interests	2.4	2.3	12.9	8.9
Comprehensive income attributable to Coty Inc.	\$ 186.7	\$ 93.5	\$ 503.4	\$ 342.6

See notes to Condensed Consolidated Financial Statements.

COTY INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except per share data)
(Unaudited)

	March 31, 2023	June 30, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 245.0	\$ 233.3
Restricted cash	32.0	30.5
Trade receivables—less allowances of \$32.7 and \$53.4, respectively	400.8	364.6
Inventories	798.1	661.5
Prepaid expenses and other current assets	438.6	392.0
Total current assets	1,914.5	1,681.9
Property and equipment, net	697.2	715.5
Goodwill	3,974.4	3,914.7
Other intangible assets, net	3,853.1	3,902.8
Equity investments	1,049.8	842.6
Operating lease right-of-use assets	289.6	320.9
Deferred income taxes	638.2	651.8
Other noncurrent assets	288.7	85.9
TOTAL ASSETS	\$ 12,705.5	\$ 12,116.1
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,407.7	\$ 1,268.3
Accrued expenses and other current liabilities	1,105.4	1,097.1
Short-term debt and current portion of long-term debt	68.3	23.0
Current operating lease liabilities	61.1	67.8
Income and other taxes payable	114.8	109.4
Total current liabilities	2,757.3	2,565.6
Long-term debt, net	4,225.0	4,409.1
Long-term operating lease liabilities	254.4	282.2
Pension and other post-employment benefits	300.5	292.2
Deferred income taxes	730.7	669.0
Other noncurrent liabilities	301.1	340.0
Total liabilities	8,569.0	8,558.1
COMMITMENTS AND CONTINGENCIES (See Note 19)		
CONVERTIBLE SERIES B PREFERRED STOCK , \$0.01 par value; 1.0 shares authorized; 0.1 and 0.1 issued and outstanding at March 31, 2023 and June 30, 2022, respectively	142.4	142.4
REDEEMABLE NONCONTROLLING INTERESTS	69.1	69.8
EQUITY:		
Preferred Stock, \$0.01 par value; 20.0 shares authorized, 1.5 issued and outstanding at March 31, 2023 and June 30, 2022	—	—
Class A Common Stock, \$0.01 par value; 1,250.0 shares authorized, 919.1 and 905.5 issued and 852.7 and 839.2 outstanding at March 31, 2023 and June 30, 2022, respectively	9.1	9.0
Additional paid-in capital	10,885.4	10,805.8
Accumulated deficit	(5,020.8)	(5,496.1)
Accumulated other comprehensive loss	(689.8)	(717.9)
Treasury stock—at cost, shares: 66.4 and 66.3 at March 31, 2023 and June 30, 2022, respectively	(1,446.3)	(1,446.3)
Total Coty Inc. stockholders' equity	3,737.6	3,154.5
Noncontrolling interests	187.4	191.3
Total equity	3,925.0	3,345.8
TOTAL LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY	\$ 12,705.5	\$ 12,116.1

See notes to Condensed Consolidated Financial Statements.

COTY INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
For the Three and Nine Months Ended March 31, 2023
(In millions, except per share data)
(Unaudited)

	Preferred Stock		Class A Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Treasury Stock		Total Coty Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	Convertible Series B Preferred Stock
	Shares	Amount	Shares	Amount				Shares	Amount					
BALANCE—July 1, 2022	<u>1.5</u>	<u>\$ —</u>	<u>905.8</u>	<u>\$ 9.0</u>	<u>\$ 10,805.8</u>	<u>\$ (5,496.1)</u>	<u>\$ (717.9)</u>	<u>66.3</u>	<u>\$ (1,446.3)</u>	<u>\$ 3,154.8</u>	<u>\$ 191.3</u>	<u>\$ 3,345.8</u>	<u>\$ 69.8</u>	<u>\$ 142.4</u>
Reacquired Class A Common Stock for employee taxes								0.1						
Exercise of employee stock options and restricted stock units			10.2	—										
Shares withheld for employee taxes					(1.1)				(1.1)			(1.1)		
Share-based compensation expense					31.4				31.4			31.4		
Dividends accrued- Convertible Series B Preferred Stock					(3.3)				(3.3)			(3.3)		3.3
Dividends paid - Convertible Series B Preferred Stock														(3.3)
Net (loss) income						128.6			128.6		—	128.6	5.9	
Other comprehensive loss							(266.2)		(266.2)		—	(266.2)	(0.2)	
Adjustment of redeemable noncontrolling interests to redemption value					6.2				6.2			6.2	(6.2)	
Equity investment contribution for share-based compensation					1.7				1.7			1.7		
BALANCE—September 30, 2022	<u>1.5</u>	<u>\$ —</u>	<u>915.7</u>	<u>\$ 9.0</u>	<u>\$ 10,840.7</u>	<u>\$ (5,367.5)</u>	<u>\$ (984.1)</u>	<u>66.4</u>	<u>\$ (1,446.3)</u>	<u>\$ 3,051.8</u>	<u>\$ 191.3</u>	<u>\$ 3,243.1</u>	<u>\$ 69.3</u>	<u>\$ 142.4</u>
Exercise of employee stock options and restricted stock units			3.2	0.1	(0.1)									
Shares withheld for employee taxes					(10.5)				(10.5)			(10.5)		
Share-based compensation expense					33.6				33.6			33.6		
Changes in dividends accrued					0.1				0.1			0.1		
Dividends accrued- Convertible Series B Preferred Stock					(3.3)				(3.3)			(3.3)		3.3
Dividends paid - Convertible Series B Preferred Stock														(3.3)
Net income (loss)						238.3			238.3		(1.4)	236.9	4.5	
Other comprehensive loss							216.0		216.0		0.3	216.3	0.3	
Adjustment of redeemable noncontrolling interests to redemption value					4.4				4.4			4.4	(4.4)	
Equity investment contribution for share-based compensation					1.0				1.0			1.0		
BALANCE—December 31, 2022	<u>1.5</u>	<u>\$ —</u>	<u>918.9</u>	<u>\$ 9.1</u>	<u>\$ 10,865.9</u>	<u>\$ (5,129.2)</u>	<u>\$ (768.1)</u>	<u>66.4</u>	<u>\$ (1,446.3)</u>	<u>\$ 3,531.4</u>	<u>\$ 190.2</u>	<u>\$ 3,721.6</u>	<u>\$ 69.7</u>	<u>\$ 142.4</u>
Exercise of employee stock options and restricted stock units			0.2	—	—									
Shares withheld for employee taxes					(0.2)				(0.2)			(0.2)		
Share-based compensation expense					32.7				32.7			32.7		
Dividends accrued- Convertible Series B Preferred Stock					(3.3)				(3.3)			(3.3)		3.3
Dividends paid - Convertible Series B Preferred Stock														(3.3)

	Preferred Stock		Class A Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Treasury Stock		Total City Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	Convertible Series B Preferred Stock
	Shares	Amount	Shares	Amount				Shares	Amount					
Net income (loss)						108.4				108.4	1.0	109.4	2.4	
Other comprehensive loss							78.3			78.3	(0.2)	78.1	—	
Distribution to noncontrolling interests, net										—	(3.6)	(3.6)	(13.8)	
Adjustment of redeemable noncontrolling interests to redemption value					(10.8)					(10.8)		(10.8)	10.8	
Equity investment contribution for share-based compensation					1.1					1.1		1.1		
BALANCE—March 31, 2023	1.5	\$ —	919.1	\$ 9.1	\$ 10,885.4	\$ (5,020.8)	\$ (689.8)	66.4	\$ (1,446.3)	\$ 3,737.6	\$ 187.4	\$ 3,925.0	\$ 69.1	\$ 142.4

See notes to Condensed Consolidated Financial Statements.

COTY INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
For the Three and Nine Months Ended March 31, 2022
(In millions, except per share data)
(Unaudited)

	Preferred Stock		Class A Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Treasury Stock		Total Coty Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	Convertible Series B Preferred Stock
	Shares	Amount	Shares	Amount				Shares	Amount					
BALANCE—July 1, 2021	<u>1.5</u>	<u>\$ —</u>	<u>832.3</u>	<u>\$ 8.3</u>	<u>\$ 10,376.2</u>	<u>\$ (5,755.6)</u>	<u>\$ (321.9)</u>	<u>66.3</u>	<u>\$ (1,446.3)</u>	<u>\$ 2,860.7</u>	<u>\$ 201.5</u>	<u>\$ 3,062.2</u>	<u>\$ 84.1</u>	<u>\$ 1,036.3</u>
Exercise of employee stock options and restricted stock units			51.0	—	—	—	—			—		—		
Shares withheld for employee taxes					(4.2)					(4.2)		(4.2)		
Share-based compensation expense					107.8					107.8		107.8		
Equity Investment contribution for share-based compensation					1.6					1.6		1.6		
Changes in dividends accrued					0.5					0.5		0.5		
Conversion of Convertible Series B Preferred Stock			0.5		307.4					307.9		307.9		(307.9)
Reclassification to Mandatorily redeemable Convertible Series B Preferred Stock					—					—		—		(394.2)
Dividends Accrued - Convertible Series B Preferred Stock					(22.7)					(22.7)		(22.7)		22.7
Deemed Dividends - Conversion of Convertible Series B Preferred Stock					(6.7)					(6.7)		(6.7)		6.7
Deemed Dividends - Exchange Agreement					(93.6)					(93.6)		(93.6)		93.6
Dividends Paid - Convertible Series B Preferred Stock					—					—		—		(3.5)
Net income (loss)						226.0				226.0	(0.5)	225.5	3.4	
Other comprehensive loss							(138.0)			(138.0)	(0.2)	(138.2)		
Adjustment of redeemable noncontrolling interests to redemption value					4.1					4.1		4.1		(4.1)
BALANCE—September 30, 2021	<u>1.5</u>	<u>\$ —</u>	<u>883.3</u>	<u>\$ 8.8</u>	<u>\$ 10,670.4</u>	<u>\$ (5,529.6)</u>	<u>\$ (459.9)</u>	<u>66.3</u>	<u>\$ (1,446.3)</u>	<u>\$ 3,243.4</u>	<u>\$ 200.8</u>	<u>\$ 3,444.2</u>	<u>\$ 83.4</u>	<u>\$ 453.7</u>

[Table of Contents](#)

	Preferred Stock		Class A Common Stock		Additional Paid-in Capital	(Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Treasury Stock		Total Coty Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity	Redeemable Noncontrolling Interests	Convertible Series B Preferred Stock
	Shares	Amount	Shares	Amount				Shares	Amount					
Exercise of employee stock options and restricted stock units			(48.2)											
Shares withheld for employee taxes					(7.1)					(7.1)		(7.1)		
Share-based compensation expense					26.9					26.9		26.9		
Equity Investment contribution for share-based compensation					(3.0)					(3.0)		(3.0)		
Changes in dividends accrued					0.2					0.2		0.2		
Dividends declared - Cash and Other					—					—		—		
Dividends (\$0.125 per common share)					—					—		—		
Conversion of Convertible Series B Preferred Stock			69.9	0.2	121.4					121.6		121.6		(121.6)
Exchange Transaction					—					—		—		(212.7)
Dividends Accrued - Convertible Series B Preferred Stock					(5.9)					(5.9)		(5.9)		5.9
Deemed Dividends - Conversion of Convertible Series B Preferred Stock					(0.8)					(0.8)		(0.8)		0.8
Deemed Dividends - Redemption of Convertible Series B Preferred Stock					(66.4)					(66.4)		(66.4)		66.4
Deemed Contributions - Convertible Series B Preferred Stock					4.4					4.4		4.4		(4.4)
Dividends Paid - Convertible Series B Preferred Stock					—					—		—		(45.7)
Net income (loss)						261.4				261.4	(0.9)	260.5	3.2	
Other comprehensive income							(100.3)			(100.3)	(0.1)	(100.4)		
Distribution to noncontrolling interests, net										—	(2.7)	(2.7)	(5.8)	
Adjustment of redeemable noncontrolling interests to redemption value					(2.9)					(2.9)		(2.9)	2.9	
BALANCE—December 31, 2021	1.5	\$ —	905.0	\$ 9.0	\$ 10,737.2	\$ (5,268.2)	\$ (560.2)	66.3	\$ (1,446.3)	\$ 3,471.5	\$ 197.1	\$ 3,668.6	\$ 83.7	\$ 142.4
Exercise of employee stock options and restricted stock units			0.5											
Shares withheld for employee taxes					(0.7)					(0.7)		(0.7)		
Share-based compensation expense					29.1					29.1		29.1		
Equity Investment contribution for share-based compensation					1.0					1.0		1.0		
Changes in dividends accrued					0.1					0.1		0.1		
Dividends Accrued - Convertible Series B Preferred Stock					(3.3)					(3.3)		(3.3)		3.3
Dividends Paid - Convertible Series B Preferred Stock					—					—		—		(3.3)
Net income (loss)						53.6				53.6	(0.9)	52.7	2.3	
Other comprehensive income							39.9			39.9	(0.1)	39.8		
Distribution to noncontrolling interests, net										—	(1.9)	(1.9)	(6.6)	
Adjustment of redeemable noncontrolling interests to redemption value					7.5					7.5		7.5	(7.5)	
BALANCE—March 31, 2022	1.5	\$ —	905.5	\$ 9.0	\$ 10,770.9	\$ (5,214.6)	\$ (520.3)	66.3	\$ (1,446.3)	\$ 3,598.7	\$ 194.2	\$ 3,792.9	\$ 71.9	\$ 142.4

See notes to Condensed Consolidated Financial Statements.

COTY INC. & SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Nine Months Ended March 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 487.7	\$ 547.6
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	317.8	389.5
Non-cash lease expense	48.0	55.6
Deferred income taxes	89.3	48.6
(Releases) provision for bad debts	(12.8)	2.6
Provision for pension and other post-employment benefits	6.9	11.9
Share-based compensation	98.9	164.3
Losses (gains) on disposals of long-term assets, net	4.9	(111.1)
Gain on sale of business in discontinued operations	—	(6.1)
Realized and unrealized gains from equity investments, net	(207.2)	(576.7)
Foreign exchange effects	27.5	1.0
Deferred financing fees write-offs	0.8	3.8
Unrealized gains on forward repurchase contracts, net	(185.5)	—
Other	27.7	11.5
Change in operating assets and liabilities		
Trade receivables	(10.5)	(161.4)
Inventories	(123.9)	(10.1)
Prepaid expenses and other current assets	(51.1)	23.0
Accounts payable	114.9	137.3
Accrued expenses and other current liabilities	(9.8)	246.4
Operating lease liabilities	(47.3)	(54.8)
Income and other taxes payable	12.4	59.9
Other noncurrent assets	(9.6)	(8.5)
Other noncurrent liabilities	(58.3)	(14.8)
Net cash provided by operating activities	520.8	759.5
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(156.0)	(133.0)
Proceeds from sale of long-term assets and license terminations	58.3	169.7
Proceeds from contingent consideration from sale of discontinued business	—	34.0
Return of capital from equity investments	—	210.7
Net cash (used in) provided by investing activities	(97.7)	281.4
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net proceeds from short-term debt, original maturity less than three months	—	4.8
Proceeds from revolving loan facilities	1,109.7	444.3
Repayments of revolving loan facilities	(1,129.6)	(1,114.7)
Proceeds from issuance of other long-term debt	—	500.0
Repayments of term loans and other long-term debt	(194.5)	(256.1)
Dividend payments on Class A Common Stock and Class B Preferred Stock	(10.4)	(53.8)
Net payments of foreign currency contracts	(139.3)	(94.1)
Purchase of remaining mandatorily redeemable noncontrolling interest	—	(7.1)

Distributions to noncontrolling interests, redeemable noncontrolling interests and mandatorily redeemable financial instruments	(17.4)	(15.1)
Payment of deferred financing fees	—	(39.3)
All other	(16.1)	(11.6)
Net cash used in financing activities	(397.6)	(642.7)
EFFECT OF EXCHANGE RATES ON CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(12.3)	(8.4)
NET INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	13.2	389.8
CASH, CASH EQUIVALENTS AND RESTRICTED CASH—Beginning of period	263.8	310.4
CASH, CASH EQUIVALENTS AND RESTRICTED CASH—End of period	\$ 277.0	\$ 700.2
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:		
Cash paid during the period for interest	\$ 157.9	\$ 120.7
Net cash paid for income taxes	45.8	68.1
SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Accrued capital expenditure additions	\$ 93.1	\$ 65.4
Redemption of Series B Preferred Stock in exchange for Wella Equity Investment	—	603.3
Conversion of Series B Preferred Stock into Class A Common Stock	—	429.5
Non-cash Series B Preferred Stock dividends and deemed dividends (contributions)	—	(1.1)

See notes to Condensed Consolidated Financial Statements.

COTY INC. & SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(\$ in millions, except per share data)
(Unaudited)

1. DESCRIPTION OF BUSINESS

Coty Inc. and its subsidiaries (collectively, the “Company” or “Coty”) manufacture, market, sell and distribute branded beauty products, including fragrances, color cosmetics and skin & body related products throughout the world. Coty is a global beauty company with a rich entrepreneurial history and an iconic portfolio of brands.

The Company operates on a fiscal year basis with a year-end of June 30. Unless otherwise noted, any reference to a year preceded by the word “fiscal” refers to the fiscal year ended June 30 of that year. For example, references to “fiscal 2023” refer to the fiscal year ending June 30, 2023. When used in this Quarterly Report on Form 10-Q, the term “includes” and “including” means, unless the context otherwise indicates, including without limitation.

The Company’s sales generally increase during the second fiscal quarter as a result of increased demand associated with the winter holiday season. Financial performance, working capital requirements, sales, cash flows and borrowings generally experience variability during the three to six months preceding the holiday season. Product innovations, new product launches and the size and timing of orders from the Company’s customers may also result in variability.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The unaudited interim Condensed Consolidated Financial Statements are presented in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and include the Company’s consolidated domestic and international subsidiaries. Certain information and disclosures normally included in consolidated financial statements prepared in accordance with GAAP have been condensed or omitted. Accordingly, these unaudited interim Condensed Consolidated Financial Statements and accompanying footnotes should be read in conjunction with the Company’s Consolidated Financial Statements as of and for the year ended June 30, 2022. In the opinion of management, all adjustments, of a normal recurring nature, considered necessary for a fair presentation have been included in the Condensed Consolidated Financial Statements. The results of operations for the three and nine months ended March 31, 2023 are not necessarily indicative of the results of operations to be expected for the full fiscal year ending June 30, 2023. All dollar amounts (other than per share amounts) in the following discussion are in millions of United States (“U.S.”) dollars, unless otherwise indicated.

Restricted Cash

Restricted cash represents funds that are not readily available for general purpose cash needs due to contractual limitations. Restricted cash is classified as a current or long-term asset based on the timing and nature of when or how the cash is expected to be used or when the restrictions are expected to lapse. As of March 31, 2023 and June 30, 2022, the Company had restricted cash of \$32.0 and \$30.5, respectively, included in Restricted cash in the Condensed Consolidated Balance Sheets. The Restricted cash balance as of March 31, 2023 primarily provides collateral for certain bank guarantees on rent, customs and duty accounts and also consists of collections on factored receivables that remain unremitted to the factor as of March 31, 2023. Restricted cash is included as a component of Cash, cash equivalents and restricted cash in the Condensed Consolidated Statement of Cash Flows.

Equity Investments

The Company elected the fair value option to account for its investment in Rainbow JVCO LTD and subsidiaries (together, “Wella” or the “Wella Company”) to align with the Company’s strategy for this investment. The fair value is updated on a quarterly basis. The investment is classified within Level 3 in the fair value hierarchy because the Company estimates the fair value of the investment using a combination of the income approach, the market approach and private transactions, when applicable. Changes in the fair value of equity investment under the fair value option are recorded in Other income, net within the Condensed Consolidated Statements of Operations (see Note 8—Equity Investments).

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the period reported. Significant accounting policies that contain subjective management estimates and assumptions include those related to revenue recognition, the net realizable value of inventory, the fair value of acquired assets and liabilities associated with acquisitions, the fair value of equity investments, the

assessment of goodwill, other intangible assets and long-lived assets for impairment and income taxes. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, and makes adjustments when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from those estimates and assumptions. Significant changes, if any, in those estimates and assumptions resulting from continuing changes in the economic environment will be reflected in the Condensed Consolidated Financial Statements in future periods.

Tax Information

The effective income tax rate for the three and nine months ended March 31, 2023 and 2022 was 21.0% and 0.9%, respectively, and 22.1% and 23.2%, respectively. The change in the effective tax rate for the three months ended March 31, 2023, as compared with the three months ended March 31, 2022, was primarily due to fair value gains related to the investment in the Wella business in the prior period. The change in the effective tax rate for the nine months ended March 31, 2023, as compared with the nine months ended March 31, 2022, was primarily due to foreign exchange loss recognized on the current year repatriation of funds that were previously taxed as part of the Tax Cuts and Job Acts of 2017.

The effective income tax rates vary from the U.S. federal statutory rate of 21% due to the effect of (i) jurisdictions with different statutory rates, (ii) adjustments to the Company's unrealized tax benefits ("UTBs") and accrued interest, (iii) non-deductible expenses, (iv) audit settlements and (v) valuation allowance changes.

As of March 31, 2023 and June 30, 2022, the gross amount of UTBs was \$237.1 and \$251.6, respectively. As of March 31, 2023, the total amount of UTBs that, if recognized, would impact the effective income tax rate is \$158.5. As of March 31, 2023 and June 30, 2022, the liability associated with UTBs, including accrued interest and penalties, was \$189.8 and \$191.8, respectively, which was recorded in Income and other taxes payable and Other noncurrent liabilities in the Condensed Consolidated Balance Sheets. The total interest and penalties recorded in the Condensed Consolidated Statements of Operations related to UTBs was \$3.5 and \$1.3 for the three months ended March 31, 2023 and 2022, respectively, and \$4.9 and \$1.0 for the nine months ended March 31, 2023 and 2022, respectively. The total gross accrued interest and penalties recorded in the Condensed Consolidated Balance Sheets as of March 31, 2023 and June 30, 2022 was \$31.3 and \$26.4, respectively. On the basis of the information available as of March 31, 2023, it is reasonably possible that a decrease of up to \$18.3 in UTBs may occur within twelve months as a result of projected resolutions of global tax examinations and a potential lapse of the applicable statutes of limitations.

Russia Market Exit

In connection with the Company's Board of Director's decision to wind down operations in Russia, the Company recognized total pre-tax gains in the Condensed Consolidated Statements of Operations of \$1.3 and \$17.0, respectively, in the three and nine months ended March 31, 2023. These amounts are primarily related to a bad debt accrual release due to better than expected collections.

The Company recognized \$0.3 of income tax benefits associated with the decision to exit Russia in the three and nine months ended March 31, 2023.

The Company anticipates incurring up to \$7.5 of additional costs through completion of the wind down. Additionally, management anticipates derecognizing the cumulative translation adjustment balance pertaining to the Russian subsidiary. The Company has substantially completed its commercial activities in Russia. However, the Company anticipates that the process related to the liquidation of the Russian legal entity will take an extended period of time.

Lacoste Fragrances License Termination

On December 19, 2022, the Company entered into an agreement with Lacoste S.A.S, Sporloisirs S.A., and Lacoste Alligator S.A., (collectively, "Lacoste") to early terminate the existing Lacoste fragrances licensing agreement, effective June 30, 2023. In exchange, Lacoste has agreed to make termination payments to the Company. During the second quarter of fiscal 2023, Lacoste advanced to the Company a portion of the termination payment totaling €52.5 million (approximately \$55.6). The amount advanced to the Company has been reflected as deferred income, within Accrued expenses and other current liabilities, until the termination effective date, June 30, 2023.

Recently Adopted Accounting Pronouncements

In August 2020, the FASB issued Accounting Standards Update ("ASU") No. 2020-06, *Debt - Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging- Contracts in Entity's Own Equity (Subtopic 815-40)*, which simplifies the accounting for convertible instruments by reducing the number of accounting models available for convertible debt instruments. This guidance also eliminates the treasury stock method to calculate diluted earnings per share for convertible instruments and requires the use of the if-converted method. The Company adopted this guidance using the modified retrospective method in the first quarter of fiscal year 2023. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

In July 2021, the FASB issued ASU No. 2021-05, *Leases (Topic 842): Lessors—Certain Leases with Variable Lease Payments*, which requires a lessor to classify a lease with variable lease payments that do not depend on an index or rate as an operating lease on the commencement date of the lease if specified criteria are met. The Company adopted this guidance in the first quarter of fiscal year 2023. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements

The FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* in March 2020 and ASU No. 2021-01, *Reference Rate Reform (Topic 848): Scope* in January 2021. The new guidance under these ASUs provides optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts and hedging relationships that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform. These amendments are effective immediately and may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2022. On December 21, 2022, the FASB issued ASU No. 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*, which extended the period of time entities can utilize the reference rate reform relief guidance under ASU No. 2020-04 from December 31, 2022 to December 31, 2024. As of March 31, 2023, the Company has not applied any of the optional expedients or exceptions allowed under these ASUs, but will continue to monitor the effects of reference rate reform, if any, on any new or amended contracts through December 31, 2024. The Company does not believe that these ASUs will have a material impact on its consolidated financial position, results of operations or cash flows.

The FASB issued ASU No. 2023-01, *Leases (Topic 842) - Common Control Arrangements*, which clarifies the accounting for leasehold improvements associated with common control leases. The guidance will be effective for the Company in fiscal 2025 with early adoption permitted. The Company does not expect this ASU will have a material effect on its consolidated financial position, results of operations or cash flows.

3. DISCONTINUED OPERATIONS

On June 1, 2020, the Company entered into a definitive agreement with Rainbow UK Bidco Limited ("KKR Bidco") (an affiliate of funds and/or separately managed accounts ("KKR Funds") advised and/or managed by Kohlberg Kravis Roberts & Co. L.P. and its affiliates ("KKR")), for the sale of a majority stake in Coty's Professional and Retail Hair businesses, including the Wella, Clairol, OPI and ghb brands, (together, the "Wella Business"), regarding a strategic transaction for the sale of the Wella Business. The transaction was completed on November 30, 2020 and Coty retained an initial ownership of 40% of the Wella Business. As of March 31, 2023, the Company owned a 25.9% stake in Wella. See Note 8—Equity Investments for additional information.

In accordance with applicable accounting guidance for the disposal of long-lived assets, the results of the Wella Business are presented as discontinued operations and have been excluded from both continuing operations and segment results for all periods presented.

For the three and nine months ended March 31, 2022, the Company recognized gains of \$1.3 and \$6.1 reflecting certain working capital adjustments and provisions of \$0.6 and \$1.6 in related income tax impact, which are presented as components of Net income from discontinued operations within the Condensed Consolidated Statements of Operation.

4. SEGMENT REPORTING

Operating and reportable segments (referred to as "segments") reflect the way the Company is managed and for which separate financial information is available and evaluated regularly by the Company's chief operating decision maker ("CODM") in deciding how to allocate resources and assess performance. The Company has designated its Chief Executive Officer ("CEO") as the CODM.

Certain income and shared costs and the results of corporate initiatives are managed by Corporate. Corporate primarily includes stock compensation expense, restructuring and realignment costs, costs related to acquisition, divestiture and license termination activities, and impairments of long-lived assets, goodwill and intangibles that are not attributable to ongoing operating activities of the segments. Corporate costs are not used by the CODM to measure the underlying performance of the segments.

With the exception of goodwill, the Company does not identify or monitor assets by segment. The Company does not present assets by reportable segment since various assets are shared between reportable segments. The allocation of goodwill by segment is presented in Note 9—Goodwill and Other Intangible Assets, net.

SEGMENT DATA	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Net revenues:				
Prestige	\$ 799.7	\$ 726.4	\$ 2,620.9	\$ 2,605.1
Consumer Beauty	489.2	459.8	1,581.6	1,531.0
Total	<u>\$ 1,288.9</u>	<u>\$ 1,186.2</u>	<u>\$ 4,202.5</u>	<u>\$ 4,136.1</u>
Operating income (loss):				
Prestige	102.4	83.8	437.3	357.5
Consumer Beauty	(27.9)	(20.4)	53.3	34.3
Corporate	(31.0)	(6.3)	(75.9)	(73.5)
Total	<u>\$ 43.5</u>	<u>\$ 57.1</u>	<u>\$ 414.7</u>	<u>\$ 318.3</u>
Reconciliation:				
Operating income	43.5	57.1	414.7	318.3
Interest expense, net	58.8	62.9	185.7	183.6
Other income, net	(156.9)	(60.6)	(397.0)	(572.9)
Income from continuing operations before income taxes	<u>\$ 141.6</u>	<u>\$ 54.8</u>	<u>\$ 626.0</u>	<u>\$ 707.6</u>

Presented below are the percentage of revenues associated with the Company's product categories:

PRODUCT CATEGORY	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Fragrance	59.2 %	57.6 %	60.3 %	60.3 %
Color Cosmetics	29.2	29.6	27.4	27.8
Body Care & Other	6.7	7.3	7.5	7.0
Skincare	4.9	5.5	4.8	4.9
Total	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

5. ACQUISITION- AND DIVESTITURE-RELATED COSTS

Acquisition-related costs, which are expensed as incurred, represent non-restructuring costs directly related to acquiring and integrating an entity, for both completed and contemplated acquisitions and can include finder's fees, legal, accounting, valuation, other professional or consulting fees, and other internal costs, which can include compensation related expenses for dedicated internal resources. The Company recognized no acquisition-related costs for the three and nine months ended March 31, 2023 and 2022.

Divestiture-related costs, which are expensed as incurred, represent non-restructuring costs directly related to divesting and selling an entity, including partial sales, for both completed and contemplated divestitures. These costs can include legal, accounting, information technology, other professional or consulting fees and other internal costs. Internal costs can include compensation related expenses for dedicated internal resources. Additionally, for divestitures, the Company includes write-offs of assets that are no longer recoverable and contract related costs due to the divestiture. The Company recognized divestiture-related costs of \$0.0 and \$3.3 for the three months ended March 31, 2023 and 2022, respectively, and \$0.0 and \$14.2 for the nine months ended March 31, 2023 and 2022, respectively. Divestiture-related costs incurred during the three and nine months ended March 31, 2022 were primarily related to the strategic transaction with KKR Bidco, for the sale of a majority stake in the Wella Business.

6. RESTRUCTURING COSTS

Restructuring costs for the three and nine months ended March 31, 2023 and 2022 are presented below:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Transformation Plan	\$ (1.3)	\$ (6.8)	\$ (5.4)	\$ 1.5
Total	\$ (1.3)	\$ (6.8)	\$ (5.4)	\$ 1.5

Transformation Plan

In connection with the four-year plan announced on July 1, 2019 to drive substantial improvement and optimization in the Company's businesses (the "Turnaround Plan"), the Company has and expects to continue to incur restructuring and related costs. On May 11, 2020, the Company announced an expansion of the Turnaround Plan to further reduce fixed costs, (the "Transformation Plan"). Of the expected costs, the Company has incurred cumulative restructuring charges of \$217.9 related to approved initiatives through March 31, 2023, which have been recorded in Corporate.

Over the next fiscal year, the Company expects to incur approximately \$2.0 of additional restructuring charges pertaining to the approved actions, primarily related to employee termination benefits.

The following table presents aggregate restructuring charges for the program:

	Severance and Employee Benefits	Fixed Asset Write-offs	Other Exit Costs	Total
Fiscal 2020	\$ 151.2	\$ (1.1)	\$ 6.5	\$ 156.6
Fiscal 2021	73.4	(0.5)	0.3	73.2
Fiscal 2022	(6.2)	—	(0.3)	(6.5)
Fiscal 2023	(5.4)	—	—	(5.4)
Cumulative through March 31, 2023	\$ 213.0	\$ (1.6)	\$ 6.5	\$ 217.9

The related liability balance and activity of restructuring costs for the Transformation Plan restructuring costs are presented below:

	Severance and Employee Benefits	Total
Balance—July 1, 2022	\$ 55.2	\$ 55.2
Restructuring charges	3.3	3.3
Payments	(35.9)	(35.9)
Changes in estimates	(8.7)	(8.7)
Effect of exchange rates	(1.1)	(1.1)
Balance—March 31, 2023	\$ 12.8	\$ 12.8

The Company currently estimates that the total remaining accrual of \$12.8 will result in cash expenditures of approximately \$5.6, \$6.0 and \$1.2 in fiscal 2023, 2024 and thereafter, respectively.

7. INVENTORIES

Inventories as of March 31, 2023 and June 30, 2022 are presented below:

	March 31, 2023	June 30, 2022
Raw materials	\$ 213.9	\$ 171.5
Work-in-process	10.4	13.2
Finished goods	573.8	476.8
Total inventories	\$ 798.1	\$ 661.5

8. EQUITY INVESTMENTS

The Company's equity investments, classified as Equity investments in the Condensed Consolidated Balance Sheets are represented by the following:

	March 31, 2023	June 30, 2022
<i>Equity method investments:</i>		
KKW Holdings ^(a)	\$ 9.8	\$ 12.6
<i>Equity investments at fair value:</i>		
Wella ^(b)	\$ 1,040.0	\$ 830.0
Total equity investments	1,049.8	\$ 842.6

^(a) On January 4, 2021, the Company completed its purchase of 20% of the outstanding equity of KKW Holdings. The Company accounts for this minority investment under the equity method, given it has the ability to exercise significant influence over, but not control, the investee. The carrying value of the Company's investment includes basis differences allocated to amortizable intangible assets.

The Company recognized \$0.8 and \$0.9, respectively, during the three months ended March 31, 2023 and 2022 and \$2.8 and \$2.3, respectively, during the nine months ended March 31, 2023 and 2022 representing its share of the investee's net loss in Other income, net within the Condensed Consolidated Statements of Operations.

^(b) As of March 31, 2023 and June 30, 2022, the Company's stake in Wella was 25.9%.

For the nine months ended March 31, 2023, the impact of Wella's Briogeo acquisition was included for valuation purposes.

The following table presents summarized financial information of the Company's equity method investees for the period ending March 31, 2023. Amounts presented represent combined totals at the investee level and not the Company's proportionate share.

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Summarized Statements of Operations information:				
Net revenues	\$ 587.0	\$ 552.8	\$ 1,844.2	\$ 1,916.3
Gross profit	382.7	376.4	1,197.6	1,314.5
Operating income	16.5	18.1	133.0	119.9
Income before income taxes	(33.5)	(50.6)	(13.2)	6.3
Net (loss) income	(27.5)	(31.5)	(13.0)	10.5

The following table summarizes movements in equity investments with fair value option that are classified within Level 3 for the period ended March 31, 2023. There were no internal movements to or from Level 3 and Level 1 or Level 2 for the period ended March 31, 2023.

Equity investments at fair value:	
Balance as of June 30, 2022	\$ 830.0
Total gains included in earnings	210.0
Balance as of March 31, 2023	<u>\$ 1,040.0</u>

Level 3 significant unobservable inputs sensitivity

The following table summarizes the significant unobservable inputs used in Level 3 valuation of the Company's investments carried at fair value as of March 31, 2023. Included in the table are the inputs or range of possible inputs that have an effect on the overall valuation of the financial instruments.

	Fair value	Valuation technique	Unobservable input	Range
		Discounted cash flows	Discount rate	10.75% ^(a)
			Growth rate	1.8% - 7.2% ^(a)
Equity investments at fair value	\$ 1,040.0	Market multiple	Revenue multiple	2.7x - 3.0x ^(b)
			EBITDA multiple	12.1x - 14.5x ^(b)

^(a) The primary unobservable inputs used in the fair value measurement of the Company's equity investments with fair value option, when using a discounted cash flow method, are the discount rate and revenue growth rate. Significant increases (decreases) in the discount rate in isolation would result in a significantly lower (higher) fair value measurement. The Company estimates the discount rate based on the investee's projected cost of equity and debt. The revenue growth rate is forecasted for future years by the investee based on their best estimates. Significant increases (decreases) in the revenue growth rate in isolation would result in a significantly higher (lower) fair value measurement.

^(b) The primary unobservable inputs used in the fair value measurement of the Company's equity investments with fair value option, when using a market multiple method, are the revenue multiple and EBITDA multiple. Significant increases (decreases) in the revenue multiple or EBITDA multiple in isolation would result in a significantly higher (lower) fair value measurement. The market multiples are derived from a group of guideline public companies.

9. GOODWILL AND OTHER INTANGIBLE ASSETS, NET

Goodwill

Goodwill as of March 31, 2023 and June 30, 2022 is presented below:

	Prestige	Consumer Beauty	Total
Gross balance at June 30, 2022	\$ 6,220.7	\$ 1,734.1	\$ 7,954.8
Accumulated impairments	(3,110.3)	(929.8)	(4,040.1)
Net balance at June 30, 2022	<u>\$ 3,110.4</u>	<u>\$ 804.3</u>	<u>\$ 3,914.7</u>
Changes during the period ended March 31, 2023			
Foreign currency translation	48.1	11.6	59.7
Gross balance at March 31, 2023	\$ 6,268.8	\$ 1,745.7	\$ 8,014.5
Accumulated impairments	(3,110.3)	(929.8)	(4,040.1)
Net balance at March 31, 2023	<u>\$ 3,158.5</u>	<u>\$ 815.9</u>	<u>\$ 3,974.4</u>

Other Intangible Assets, net

Other intangible assets, net as of March 31, 2023 and June 30, 2022 are presented below:

	March 31, 2023	June 30, 2022
Indefinite-lived other intangible assets	\$ 952.0	\$ 936.6
Finite-lived other intangible assets, net	2,901.1	2,966.2
Total Other intangible assets, net	\$ 3,853.1	\$ 3,902.8

The changes in the carrying amount of indefinite-lived other intangible assets are presented below:

	Trademarks	Total
Gross balance at June 30, 2022	\$ 1,881.5	\$ 1,881.5
Accumulated impairments	(944.9)	(944.9)
Net balance at June 30, 2022	\$ 936.6	\$ 936.6
Changes during the period ended March 31, 2023		
Foreign currency translation	15.4	15.4
Gross balance at March 31, 2023	\$ 1,896.9	\$ 1,896.9
Accumulated impairments	(944.9)	(944.9)
Net balance at March 31, 2023	\$ 952.0	\$ 952.0

Intangible assets subject to amortization are presented below:

	Cost	Accumulated Amortization	Accumulated Impairment	Net
June 30, 2022				
License agreements and collaboration agreements	\$ 3,861.9	\$ (1,302.2)	\$ (19.6)	\$ 2,540.1
Customer relationships	740.0	(473.5)	(5.5)	261.0
Trademarks	320.5	(177.1)	(0.5)	142.9
Product formulations and technology	83.9	(61.7)	—	22.2
Total	\$ 5,006.3	\$ (2,014.5)	\$ (25.6)	\$ 2,966.2
March 31, 2023				
License agreements and collaboration agreements	\$ 3,965.2	\$ (1,447.4)	\$ (19.6)	\$ 2,498.2
Customer relationships	750.5	(499.5)	(5.5)	245.5
Trademarks	322.6	(187.1)	(0.5)	135.0
Product formulations and technology	85.6	(63.2)	—	22.4
Total	\$ 5,123.9	\$ (2,197.2)	\$ (25.6)	\$ 2,901.1

Amortization expense was \$48.2 and \$50.2 for the three months ended March 31, 2023 and 2022, respectively and \$143.1 and \$158.6 for the nine months ended March 31, 2023 and 2022, respectively.

10. LEASES

The Company leases office facilities under non-cancelable operating leases with terms generally ranging between 5 and 25 years. The Company utilizes these leased office facilities for use by its employees in countries in which the Company conducts its business. Leases are negotiated with third parties and, in some instances contain renewal, expansion and termination options. The Company also subleases certain office facilities to third parties when the Company no longer intends to utilize the space. None of the Company's leases restricts the payment of dividends or the incurrence of debt or additional lease obligations, or contain significant purchase options.

The following chart provides additional information about the Company's operating leases:

Lease Cost:	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Operating lease cost	\$ 19.0	\$ 22.1	\$ 57.5	\$ 64.2
Short-term lease cost	0.1	0.4	0.6	1.0
Variable lease cost	10.8	9.9	27.6	28.8
Sublease income	(4.3)	(5.1)	(12.0)	(15.8)
Net lease cost	\$ 25.6	\$ 27.3	\$ 73.7	\$ 78.2
Other information:				
Operating cash outflows from operating leases	\$ (16.8)	\$ (18.7)	\$ (57.2)	\$ (64.0)
Right-of-use assets obtained in exchange for lease obligations	\$ 0.4	\$ 73.1	\$ 14.2	\$ 100.1
Weighted-average remaining lease term - real estate			7.4 years	7.8 years
Weighted-average discount rate - real estate leases			4.09 %	3.81 %

Future minimum lease payments for the Company's operating leases are as follows:

Fiscal Year Ending June 30,	
2023, remaining	\$ 21.7
2024	68.7
2025	57.7
2026	46.5
2027	39.4
Thereafter	137.9
Total future lease payments	371.9
Less: imputed interest	(56.4)
Total present value of lease liabilities	315.5
Current operating lease liabilities	61.1
Long-term operating lease liabilities	254.4
Total operating lease liabilities	\$ 315.5

Table excludes obligations for leases with original terms of twelve months or less, which have not been recognized as ROU assets or liabilities in the Condensed Consolidated Balance Sheets.

II. DEBT

The Company's debt balances consisted of the following as of March 31, 2023 and June 30, 2022, respectively:

	March 31, 2023	June 30, 2022
Short-term debt	\$ —	\$ —
Senior Secured Notes		
2026 Dollar Senior Secured Notes due April 2026	900.0	900.0
2026 Euro Senior Secured Notes due April 2026	763.5	731.8
2029 Dollar Senior Secured Notes due January 2029	500.0	500.0
2018 Coty Credit Agreement		
2021 Coty Revolving Credit Facility due April 2025	254.5	273.6
2018 Coty Term B Facility due April 2025	1,206.2	1,239.2
Senior Unsecured Notes		
2026 Dollar Notes due April 2026	473.0	550.0
2026 Euro Notes due April 2026	196.7	261.4
Brazilian Credit Facilities	42.4	42.4
Other long-term debt and finance lease obligations	7.7	0.1
Total debt	4,344.0	4,498.5
Less: Short-term debt and current portion of long-term debt	(68.3)	(23.0)
Total Long-term debt	4,275.7	4,475.5
Less: Unamortized financing fees	(32.6)	(41.8)
Less: Discount on long-term debt	(18.1)	(24.6)
Total Long-term debt, net	\$ 4,225.0	\$ 4,409.1

Short-Term Debt

The Company maintains short-term lines of credit and other short-term debt with financial institutions around the world. As of March 31, 2023, total short-term debt remained constant at nil from June 30, 2022. In addition, the Company had undrawn letters of credit of \$11.8 and \$14.3, and bank guarantees of \$16.0 and \$17.2 as of March 31, 2023 and June 30, 2022, respectively.

Long-Term Debt

Senior Secured Notes

On April 21, 2021, the Company issued an aggregate principal amount of \$900.0 of 5.00% senior secured notes due 2026 (the "2026 Dollar Senior Secured Notes" and, together with the 2026 Euro Senior Secured Notes and 2029 Dollar Senior Secured Notes, the "Senior Secured Notes"). Coty received gross proceeds of \$900.0 in connection with the offering of the 2026 Dollar Senior Secured Notes.

On June 16, 2021, the Company issued an aggregate principal amount of €700.0 million of 3.875% senior secured notes due 2026 (the "2026 Euro Senior Secured Notes") in a private offering. Coty received gross proceeds of €700.0 million in connection with the offering of the 2026 Euro Senior Secured Notes.

On November 30, 2021, the Company issued an aggregate principal amount of \$500.0 of 4.75% senior secured notes due 2029 ("2029 Dollar Senior Secured Notes"). Coty received gross proceeds of \$500.0 in connection with the offering of the 2029 Dollar Senior Secured Notes.

Coty used the gross proceeds of the offerings of the Senior Secured Notes to repay a portion of the term loans outstanding under the existing credit facilities and to pay related fees and expenses thereto.

The Senior Secured Notes are senior secured obligations of Coty and are guaranteed on a senior secured basis by each of Coty's wholly-owned domestic subsidiaries that guarantees Coty's obligations under its existing senior secured credit facilities and are secured by first priority liens on the same collateral that secures Coty's obligations under its existing senior secured credit facilities, as described below. The Senior Secured Notes and the guarantees are equal in right of payment with all of Coty's and the guarantors' respective existing and future senior indebtedness and are *pari passu* with all of Coty's and the guarantors' respective existing and future indebtedness that is secured by a first priority lien on the collateral, including the existing senior secured credit facilities, to the extent of the value of such collateral.

Optional Redemption

Applicable Premium

The indentures governing the Senior Secured Notes specify the Applicable Premium (as defined in the respective indentures) to be paid upon early redemption of some or all of the Senior Secured Notes prior to, and on or after, April 15, 2023 for the 2026 Euro Senior Secured Notes and 2026 Dollar Senior Secured Notes, and January 15, 2025 for the 2029 Dollar Senior Secured Notes (the "Early Redemption Dates").

The Applicable Premium related to the respective Senior Secured Notes on any redemption date and as calculated by the Company is the greater of:

- (1) 1.0% of the then outstanding principal amount of the respective Senior Secured Notes; and
- (2) the excess, if any, of (a) the present value at such redemption date of (i) the redemption price of such respective Senior Secured Notes that would apply if such respective notes were redeemed on the respective Early Redemption Dates, (such redemption price is expressed as a percentage of the principal amount being set forth in the table appearing in the Redemption Pricing section below), plus (ii) all remaining scheduled payments of interest due on the respective Senior Secured Notes to and including the respective Early Redemption Dates, (excluding accrued but unpaid interest, if any, to, but excluding, the redemption date), with respect to each of subclause (i) and (ii), computed using a discount rate equal to the Treasury Rate in the case of the 2026 Dollar Senior Secured Notes and 2029 Dollar Senior Secured Notes, or Bund Rate in the case of the 2026 Euro Senior Secured Notes (both Treasury Rate and Bund Rate as defined in the respective indentures) as of such redemption date plus 50 basis points; over (b) the principal amount of the respective Senior Secured Notes.

Redemption Pricing

At any time and from time to time prior to the Early Redemption Dates, the Company may redeem some or all of the respective notes at redemption prices equal to 100% of the respective principal amounts being redeemed plus the Applicable Premium, plus accrued and unpaid interest, if any, to, but excluding, the redemption dates.

At any time on or after the Early Redemption Dates, the Company may redeem some or all of the respective notes at the redemption prices (expressed in percentage of principal amount) set forth below, plus accrued and unpaid interest, if any, to, but excluding, the redemption dates, if redeemed during the twelve-month period beginning on respective dates of each of the years indicated below:

For the period beginning	Price		
	2026 Dollar Senior Secured Notes	2026 Euro Senior Secured Notes	2029 Dollar Senior Secured Notes
	April 15,		
Year			January 15,
2023	102.500%	101.938%	N/A
2024	101.250%	100.969%	N/A
2025	100.000%	100.000%	102.375%
2026	N/A	N/A	101.188%
2027 and thereafter	N/A	N/A	100.000%

2018 Coty Credit Agreement

On April 5, 2018, the Company entered into an amended and restated credit agreement (the "2018 Coty Credit Agreement"), which, as previously disclosed, was amended in June 2019, September 2021 and November 2021. On March 7, 2023, the Company further amended the 2018 Coty Credit Agreement to effectuate the transition of the underlying variable interest rate from LIBOR to the Secured Overnight Financing Rate ("SOFR").

As amended and restated through March 2023, the 2018 Coty Credit Agreement matures on April 5, 2025 and provides for (a) the incurrence by the Company of (1) a senior secured term A facility in an aggregate principal amount of (i) \$1,000.0 million denominated in U.S. dollars and (ii) €2,035.0 million denominated in euros (the "2018 Coty Term A Facility") and (2) a senior secured term B facility in an aggregate principal amount of (i) \$1,400.0 million denominated in U.S. dollars and (ii) €850.0 million denominated in euros (the "2018 Coty Term B Facility") and (b) the incurrence by the Company and Coty B.V., a Dutch subsidiary of the Company (the "Dutch Borrower" and, together with the Company, the "Borrowers"), of a senior secured revolving facility in an aggregate principal amount of \$2,000.0 million denominated in U.S. dollars, specified alternative currencies or other currencies freely convertible into U.S. dollars (the "2021 Coty Revolving Credit Facility") (as amended through March 2023, the 2018 Coty Term A Facility, together with the 2018 Coty Term B Facility and the 2021 Coty Revolving Credit Facility, the "2018 Coty Credit Facilities").

The 2018 Coty Credit Agreement provides that with respect to the 2021 Coty Revolving Credit Facility, up to \$150.0 is available for letters of credit and up to \$150.0 is available for swing line loans. The 2018 Coty Credit Agreement also permits, subject to certain terms and conditions, the incurrence of incremental facilities thereunder in an aggregate amount of (i) \$1,700.0 plus (ii) an unlimited amount if the First Lien Net Leverage Ratio (as defined in the 2018 Coty Credit Agreement), at the time of incurrence of such incremental facilities and after giving effect thereto on a pro forma basis, is less than or equal to 3.00 to 1.00.

The obligations of the Company under the 2018 Coty Credit Agreement are guaranteed by the material wholly-owned subsidiaries of the Company organized in the U.S., subject to certain exceptions (the "Guarantors") and the obligations of the Company and the Guarantors under the 2018 Coty Credit Agreement are secured by a perfected first priority lien (subject to permitted liens) on substantially all of the assets of the Company and the Guarantors, subject to certain exceptions. The Dutch Borrower does not guarantee the obligations of the Company under the 2018 Coty Credit Agreement or grant any liens on its assets to secure any obligations under the 2018 Coty Credit Agreement.

As previously disclosed, the Company utilized proceeds from certain transactions to pay down portions of the outstanding balances of the 2018 Coty Term A Facility and 2018 Coty Term B Facility in November 2020, October 2021 and January 2022. In December 2022, the Company announced an agreement to early terminate a fragrance license in exchange for a termination payment from the licensor. A portion of the termination payment totaling €52.5 million (approximately \$55.6) was advanced to the Company. In accordance with the 2018 Coty Credit Agreement, as amended, the Company utilized a portion of the advance proceeds to pay down €13.5 million (approximately \$14.3) and \$21.5, respectively, of the outstanding balances of the euro and U.S. dollar portions of the 2018 Term B Facility on December 23, 2022. No balances remain outstanding under the 2018 Coty Term A Facility.

Senior Unsecured Notes

On April 5, 2018 the Company issued, at par, \$550.0 of 6.50% senior unsecured notes due 2026 (the "2026 Dollar Notes"), €550.0 million of 4.00% senior unsecured notes due 2023 (the "2023 Euro Notes") and €250.0 million of 4.75% senior unsecured notes due 2026 (the "2026 Euro Notes" and, together with the 2023 Euro Notes, the "Euro Notes," and the Euro Notes together with the 2026 Dollar Notes, the "Senior Unsecured Notes") in a private offering.

The Senior Unsecured Notes are senior unsecured debt obligations of the Company and will be *pari passu* in right of payment with all of the Company's existing and future senior indebtedness (including the 2018 Coty Credit Facilities). The Senior Unsecured Notes are guaranteed, jointly and severally, on a senior basis by the Guarantors. The Senior Unsecured Notes are senior unsecured obligations of the Company and are effectively junior to all existing and future secured indebtedness of the Company to the extent of the value of the collateral securing such secured indebtedness. The related guarantees are senior unsecured obligations of each Guarantor and are effectively junior to all existing and future secured indebtedness of such Guarantor to the extent of the value of the collateral securing such indebtedness.

The 2026 Dollar and Euro Notes will mature on April 15, 2026. The 2026 Dollar Notes will bear interest at a rate of 6.50% per annum. The 2026 Euro Notes will bear interest at a rate of 4.75% per annum. Interest on the 2026 Dollar and Euro Notes is payable semi-annually in arrears on April 15 and October 15 of each year.

The Company redeemed the 2023 Euro Notes on April 15, 2022. On December 7, 2022, the Company redeemed \$77.0 of the 2026 Dollar Notes and €69.7 million (approximately \$72.2) of the 2026 Euro Notes.

Upon the occurrence of certain change of control triggering events with respect to a series of Senior Unsecured Notes, the Company will be required to offer to repurchase all or part of the Senior Unsecured Notes of such series at 101% of their principal amount, plus accrued and unpaid interest, if any, to, but excluding, the purchase date applicable to such Senior Unsecured Notes.

The Senior Unsecured Notes contain customary covenants that place restrictions in certain circumstances on, among other things, incurrence of liens, entry into sale or leaseback transactions, sales of all or substantially all of the Company's assets and certain merger or consolidation transactions. The Senior Unsecured Notes also provide for customary events of default.

Deferred Financing Costs and Original Issue Discounts

The Company wrote off unamortized deferred issuance fees of \$0.0 and \$0.7, respectively and original issue debt discounts of \$0.0 and \$0.1, respectively during the three and nine months ended March 31, 2023 and wrote off \$0.1 and \$3.4, respectively, of unamortized deferred issuance fees and \$0.1 and \$0.4, respectively of original issue debt discounts during the three and nine months ended March 31, 2022, which were recorded in Other income, net in the Condensed Consolidated Statement of Operations. Additionally, during the three and nine months ended March 31, 2022, the Company capitalized original issue debt discounts of \$0.0 and \$27.0, respectively, and deferred issuance fees of \$0.5 and \$8.9, respectively.

Scheduled Amortization

The Company makes quarterly payments of 0.25%, of the initial aggregate principal amounts of the 2018 Coty Term B Facility. The remaining balance of the initial aggregate principal amount of the 2018 Coty Term B Facility will be payable on the maturity date of the facility.

Interest

The 2018 Coty Credit Agreement facilities will bear interest at rates equal to, at the Company's option, either:

- (1) SOFR of the applicable qualified currency, of which the Company can elect the applicable one, two, three, six or twelve month rate, plus the applicable margin; or
- (2) Alternate base rate ("ABR") plus the applicable margin.

In the case of the 2021 Coty Revolving Credit Facility, the applicable margin means the lesser of a percentage per annum to be determined in accordance with the leverage-based pricing grid and the debt rating-based grid below:

Pricing Tier	Total Net Leverage Ratio:	SOFR plus:	Alternative Base Rate Margin:
1.0	Greater than or equal to 4.75:1	2.000%	1.000%
2.0	Less than 4.75:1 but greater than or equal to 4.00:1	1.750%	0.750%
3.0	Less than 4.00:1 but greater than or equal to 2.75:1	1.500%	0.500%
4.0	Less than 2.75:1 but greater than or equal to 2.00:1	1.250%	0.250%
5.0	Less than 2.00:1 but greater than or equal to 1.50:1	1.125%	0.125%
6.0	Less than 1.50:1	1.000%	—%

Pricing Tier	Debt Ratings S&P/Moody's:	SOFR plus:	Alternative Base Rate Margin:
5.0	Less than BB+/Ba1	2.000%	1.000%
4.0	BB+/Ba1	1.750%	0.750%
3.0	BBB-/Baa3	1.500%	0.500%
2.0	BBB/Baa2	1.250%	0.250%
1.0	BBB+/Baa1 or higher	1.125%	0.125%

In the case of the U.S. dollar portion of the 2018 Coty Term B Facility, the applicable margin means 2.25% per annum, in the case of SOFR loans, and 1.25% per annum, in the case of ABR loans. In the case of the euro portion of the 2018 Coty Term B Facility, the applicable margin means 2.50% per annum, in the case of EURIBOR loans. In no event will SOFR be deemed to be less than 0.00% per annum.

Fair Value of Debt

	March 31, 2023		June 30, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Senior Secured Notes	\$ 2,163.5	\$ 2,083.5	\$ 2,131.8	\$ 1,914.1
2018 Coty Credit Agreement	1,460.7	1,439.6	1,512.8	1,451.5
Senior Unsecured Notes	669.7	664.4	811.4	733.5
Brazilian Credit Facilities	42.4	43.6	42.4	48.2

The Company uses the market approach to value its debt instruments. The Company obtains fair values from independent pricing services or utilizes the USD SOFR curve to determine the fair value of these debt instruments. Based on the assumptions used to value these liabilities at fair value, these debt instruments are categorized as Level 2 in the fair value hierarchy.

Debt Maturities Schedule

Aggregate maturities of the Company's long-term debt, including the current portion of long-term debt and excluding finance lease obligations as of March 31, 2023, are presented below:

Fiscal Year Ending June 30,	
2023, remaining	\$ 5.8
2024	65.6
2025	1,431.7
2026	2,333.2
2027	—
Thereafter	500.0
Total	\$ 4,336.3

Covenants

The 2018 Coty Credit Agreement contains affirmative and negative covenants. The negative covenants include, among other things, limitations on debt, liens, dispositions, investments, fundamental changes, restricted payments and affiliate transactions. With certain exceptions as described below, the 2018 Coty Credit Agreement, as amended, includes a financial covenant that requires us to maintain a Total Net Leverage Ratio (as defined below), equal to or less than the ratios shown below for each respective test period.

Quarterly Test Period Ending	Total Net Leverage Ratio ^(a)
March 31, 2023 through April 5, 2025	4.00 to 1.00

^(a) Total Net Leverage Ratio means, as of any date of determination, the ratio of: (a) (i) Total Indebtedness minus (ii) unrestricted and Cash Equivalents of the Parent Borrower and its Restricted Subsidiaries as determined in accordance with GAAP to (b) Adjusted EBITDA for the most recently ended Test Period (each of the defined terms, including Adjusted EBITDA, used within the definition of Total Net Leverage Ratio have the meanings ascribed to them within the 2018 Coty Credit Agreement, as amended). Adjusted EBITDA, as defined in the 2018 Coty Credit Agreement, as amended, includes certain add backs related to cost savings, unusual events such as COVID-19, operating expense reductions and future unrealized synergies subject to certain limits and conditions as specified in the 2018 Coty Credit Agreement, as amended.

In the four fiscal quarters following the closing of any Material Acquisition (as defined in the 2018 Coty Credit Agreement, as amended), including the fiscal quarter in which such Material Acquisition occurs, the maximum Total Net Leverage Ratio shall be the lesser of (i) 5.95 to 1.00 and (ii) 1.00 higher than the otherwise applicable maximum Total Net Leverage Ratio for such quarter (as set forth in the table above). Immediately after any such four fiscal quarter period, there shall be at least two consecutive fiscal quarters during which the Company's Total Net Leverage Ratio is no greater than the maximum Total Net Leverage Ratio that would otherwise have been required in the absence of such Material Acquisition, regardless of whether any additional Material Acquisitions are consummated during such period.

As of March 31, 2023, the Company was in compliance with all covenants contained within the 2018 Coty Credit Agreement, as amended.

12. INTEREST EXPENSE, NET

Interest expense, net for the three and nine months ended March 31, 2023 and 2022, respectively, is presented below:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Interest expense	\$ 65.2	\$ 60.9	\$ 187.8	\$ 185.4
Foreign exchange (gains) losses, net of derivative contracts	(3.5)	3.4	10.5	1.0
Interest income	(2.9)	(1.4)	(12.6)	(2.8)
Total interest expense, net	\$ 58.8	\$ 62.9	\$ 185.7	\$ 183.6

13. EMPLOYEE BENEFIT PLANS

The components of net periodic benefit cost for pension plans and other post-employment benefit plans recognized in the Condensed Consolidated Statements of Operations are presented below:

	Three Months Ended March 31,							
	Pension Plans				Other Post-Employment Benefits		Total	
	U.S.		International		2023	2022	2023	2022
	2023	2022	2023	2022				
Service cost	—	—	1.2	2.4	0.2	0.2	1.4	2.6
Interest cost	0.2	0.1	2.7	1.6	0.4	0.3	3.3	2.0
Expected return on plan assets	—	—	(0.9)	(1.2)	—	—	(0.9)	(1.2)
Amortization of prior service credit	—	—	—	—	(0.1)	(0.1)	(0.1)	(0.1)
Amortization of net (gain) loss	(0.7)	0.1	(0.2)	(0.1)	(0.5)	—	(1.4)	—
Settlement loss recognized	—	—	—	0.1	—	—	—	0.1
Net periodic benefit cost (credit)	(0.5)	0.2	2.8	2.8	—	0.4	2.3	3.4

	Nine Months Ended March 31,							
	Pension Plans				Other Post-Employment Benefits		Total	
	U.S.		International		2023	2022	2023	2022
	2023	2022	2023	2022				
Service cost	—	—	3.6	7.1	0.6	0.6	4.2	7.7
Interest cost	0.6	0.3	8.1	4.8	1.2	0.9	9.9	6.0
Expected return on plan assets	—	—	(2.7)	(3.4)	—	—	(2.7)	(3.4)
Amortization of prior service credit	—	—	—	—	(0.3)	(0.3)	(0.3)	(0.3)
Amortization of net (gain) loss	(2.1)	0.3	(0.6)	(0.3)	(1.5)	—	(4.2)	—
Settlement loss recognized	—	—	—	2.1	—	—	—	2.1
Curtailed gain recognized	—	—	—	(0.2)	—	—	—	(0.2)
Net periodic benefit cost (credit)	(1.5)	0.6	8.4	10.1	—	1.2	6.9	11.9

14. DERIVATIVE INSTRUMENTS

Foreign Exchange Risk

The Company is exposed to foreign currency exchange fluctuations through its global operations. The Company may reduce its exposure to fluctuations in the cash flows associated with changes in foreign exchange rates by creating offsetting positions through the use of derivative instruments and also by designating foreign currency denominated borrowings and cross-currency swaps as hedges of net investments in foreign subsidiaries. The Company expects that through hedging, any gain or loss on the derivative instruments would generally offset the expected increase or decrease in the value of the underlying forecasted transactions.

In September 2019, the Company entered into cross-currency swap contracts in the notional amount of \$550.0 and designated these cross-currency swaps as hedges of its net investment in certain foreign subsidiaries. In September 2020, the Company terminated its existing net investment cross currency swap derivatives in exchange for cash payment of \$37.6. The related loss from this termination is included in accumulated other comprehensive income (loss) ("AOCI(L)") until the sale or substantial liquidation of the underlying net investments.

As of March 31, 2023 and June 30, 2022, the notional amount of the outstanding forward foreign exchange contracts designated as cash flow hedges were \$27.4 and \$30.0, respectively.

The Company also uses certain derivatives not designated as hedging instruments consisting primarily of foreign currency forward contracts and cross currency swaps to hedge intercompany transactions and foreign currency denominated external debt. Although these derivatives were not designated for hedge accounting, the overall objective of mitigating foreign currency exposure is the same for all derivative instruments. For derivatives not designated as hedging instruments, changes in fair value are recorded in the line item in the Condensed Consolidated Statements of Operations to which the derivative relates. As of

March 31, 2023 and June 30, 2022, the notional amounts of these outstanding non-designated foreign currency forward and cross currency forward contracts were \$1,567.2 and \$2,403.8, respectively.

Interest Rate Risk

The Company is exposed to interest rate fluctuations related to its variable rate debt instruments. The Company may reduce its exposure to fluctuations in the cash flows associated with changes in the variable interest rates by entering into offsetting positions through the use of derivative instruments, such as interest rate swap contracts. The interest rate swap contracts result in recognizing a fixed interest rate for the portion of the Company's variable rate debt that was hedged. This will reduce the negative and positive impact of increases in the variable rates over the term of the contracts. Hedge effectiveness of interest rate swap contracts is based on a long-haul hypothetical derivative methodology and includes all changes in value.

As of March 31, 2023 and June 30, 2022, the Company had interest rate swap contracts designated as effective hedges in the notional amount of \$200.0 and \$800.0. These interest rate swaps are designated and qualify as cash flow hedges and were highly effective.

Net Investment Hedge

Foreign currency gains and losses on borrowings designated as a net investment hedge, except ineffective portions, are reported in the cumulative translation adjustment ("CTA") component of AOCI(L), along with the foreign currency translation adjustments on those investments. As of March 31, 2023 and June 30, 2022, the nominal exposures of foreign currency denominated borrowings designated as net investment hedges were €801.6 million and €289.0 million, respectively. The designated hedge amounts were considered highly effective.

Forward Repurchase Contracts

In June and December 2022, the Company entered into certain forward repurchase contracts to start hedging for potential \$200.0 and \$196.0 share buyback programs, in 2024 and 2025, respectively. These forward repurchase contracts are accounted for at fair value, with changes in the fair value recorded in Other expense (income), net in the Condensed Consolidated Statements of Operations. Refer to Note 15—Equity and Convertible Preferred Stock.

Derivative and non-derivative financial instruments which are designated as hedging instruments:

The accumulated (loss) gain on foreign currency borrowings classified as net investment hedges in the foreign currency translation adjustment component of AOCI(L) was \$(11.2) and \$41.7 as of March 31, 2023 and June 30, 2022, respectively.

The accumulated loss on derivative instruments classified as net investment hedges in the foreign currency translation adjustment component of AOCI(L) was \$(37.6) as of March 31, 2023 and June 30, 2022.

The amount of gains and losses recognized in Other comprehensive income (loss) ("OCI") in the Condensed Consolidated Balance Sheets related to the Company's derivative and non-derivative financial instruments which are designated as hedging instruments is presented below:

Gain (Loss) Recognized in OCI	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Foreign exchange forward contracts	\$ (3.1)	\$ (4.7)	\$ (1.8)	\$ (3.0)
Interest rate swap contracts	(0.1)	7.9	1.7	9.8
Net investment hedges	(16.2)	5.3	(52.9)	24.2

The accumulated (loss) gain on derivative instruments classified as cash flow hedges in AOCI(L), net of tax, was \$(0.8) and \$4.3 as of March 31, 2023 and June 30, 2022, respectively. The estimated net gain related to these effective hedges that is expected to be reclassified from AOCI(L) into earnings, net of tax, within the next twelve months is \$(0.8). As of March 31, 2023, all of the Company's remaining foreign currency forward contracts designated as hedges were highly effective.

The amount of gains and losses reclassified from AOCI/(L) to the Condensed Consolidated Statements of Operations related to the Company's derivative financial instruments which are designated as hedging instruments is presented below:

Location and Amount of Gain (Loss) Recognized in Income on Cash Flow Hedging Relationships	Three Months Ended March 31,					
	2023			2022		
	Net revenues	Cost of sales	Interest expense, net	Net revenues	Cost of sales	Interest expense, net
Foreign exchange forward contracts:						
Amount of gain (loss) reclassified from AOCI into income	\$ —	\$ 0.3	\$ —	\$ —	\$ 1.2	\$ —
Interest rate swap contracts:						
Amount of gain (loss) reclassified from AOCI into income	—	—	1.2	—	—	(2.2)

Location and Amount of Gain (Loss) Recognized in Income on Cash Flow Hedging Relationships	Nine Months Ended March 31,					
	2023			2022		
	Net revenues	Cost of sales	Interest expense, net	Net revenues	Cost of sales	Interest expense, net
Foreign exchange forward contracts:						
Amount of gain (loss) reclassified from AOCI into income	\$ —	\$ (1.3)	\$ —	\$ —	\$ 1.4	\$ —
Interest rate swap contracts:						
Amount of gain (loss) reclassified from AOCI into income	—	—	7.9	—	—	(12.0)

Derivatives not designated as hedging:

The amount of gains and losses related to the Company's derivative financial instruments not designated as hedging instruments is presented below:

Condensed Consolidated Statements of Operations Classification of Gain (Loss) Recognized in Operations	Three Months Ended March 31,		Nine Months Ended March 31,		
	2023	2022	2023	2022	
	Foreign exchange contracts	Selling, general and administrative expenses	\$ (4.6)	\$ (0.4)	\$ (4.7)
Foreign exchange contracts	Interest expense, net	14.7	(1.5)	(64.6)	18.7
Foreign exchange and forward repurchase contracts	Other (expense) income, net	161.4	2.8	167.1	2.3

15. EQUITY AND CONVERTIBLE PREFERRED STOCK

Common Stock

As of March 31, 2023, the Company's common stock consisted of Class A Common Stock with a par value of \$0.01 per share. The holders of Class A Common Stock are entitled to one vote per share. As of March 31, 2023, total authorized shares of Class A Common Stock was 1,250.0 million and total outstanding shares of Class A Common Stock was 852.7 million.

As of March 31, 2023, the Company's largest stockholder was JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), which owned approximately 53% of Coty's outstanding Class A Common Stock. JAB Beauty B.V., a wholly-owned subsidiary of JAB Cosmetics B.V. ("JABC"), is indirectly controlled by Lucrecia SE, Agnaten SE and JAB Holdings B.V. ("JAB"). The Company's CEO, Sue Nabi, was granted a one-time sign-on award of restricted stock units (the "Award") on June 30, 2021. On October 29, 2021, JAB Beauty B.V. completed the transfer of 10.0 million shares of Common Stock to Ms. Nabi in connection with her sign-on award of restricted stock units. See Note 16—Share-Based Compensation Plans for additional information.

Series A and A-1 Preferred Stock

As of March 31, 2023, total authorized shares of preferred stock are 20.0 million. There are two classes of Preferred Stock, Series A Preferred Stock and Series A-1 Preferred Stock, both with a par value of \$0.01 per share.

As of March 31, 2023, there were 1.5 million shares of Series A and no shares of Series A-1 Preferred Stock authorized, issued and outstanding. Series A Preferred Stock and Series A-1 Preferred Stock are not entitled to receive any dividends and have no voting rights except as required by law.

As of March 31, 2023, the Company has \$1.1 Series A Preferred Stock classified as a liability recorded in Other noncurrent liabilities in the Condensed Consolidated Balance Sheet.

Convertible Series B Preferred Stock

On May 11, 2020, the Company entered into an Investment Agreement with KKR Aggregator, relating to the issuance and sale by the Company to KKR Aggregator of up to 1,000,000 shares of the Company's new Convertible Series B Preferred Stock, par value \$0.01 per share (the "Series B Preferred Stock"), for an aggregate purchase price of up to \$1,000.0, or \$1,000 per share (the "Issuance"). The Company completed the issuances and sales of the Series B Preferred Stock on May 26, 2020 and July 31, 2020. On November 16, 2020, KKR Aggregator and affiliated investment funds agreed to sell 146,057 shares of Series B Preferred Stock, to HFS Holdings S.à r.l, that is beneficially owned by Peter Harf, a director of the Company. The transaction closed on August 27, 2021.

As a result of various conversions and exchanges of KKR Aggregator's shares of the Series B Preferred Stock, as of December 31, 2021, KKR has fully redeemed/exchanged all of their Series B Preferred Stock.

Cumulative preferred dividends accrue daily on the Series B Preferred Stock at a rate of 9.0% per year. During the three months ended March 31, 2023 and 2022, the Board of Directors declared dividends on the Series B Preferred Stock of \$3.3 and \$3.3 and paid accrued dividends of \$3.3 and \$3.3, respectively. During the nine months ended March 31, 2023 and 2022, the Board of Directors declared dividends on the Series B Preferred Stock of \$9.9 and \$31.9, and paid accrued dividends of \$9.9 and \$52.5, respectively. As of March 31, 2023 and June 30, 2022, the Series B Preferred Stock had outstanding accrued dividends of \$3.3 and \$3.3, respectively.

Treasury Stock

Share Repurchase Program

Since February 2014, the Board has authorized the Company to repurchase its Class A Common Stock under approved repurchase programs. On February 3, 2016, the Board authorized the Company to repurchase up to \$500.0 of its Class A Common Stock (the "Incremental Repurchase Program"). Repurchases may be made from time to time at the Company's discretion, based on ongoing assessments of the capital needs of the business, the market price of its Class A Common Stock, and general market conditions. For the three and nine months ended March 31, 2023, the Company did not repurchase any shares of its Class A Common Stock under the Incremental Repurchase Program. As of March 31, 2023, the Company had authority for \$396.8 remaining under the Incremental Repurchase Program.

In June and December 2022, the Company entered into forward repurchase contracts (the "Forward" and together the "Forwards") with three large financial institutions ("Counterparties") to start hedging for potential \$200.0 and \$196.0 share buyback programs in 2024 and 2025, respectively. In connection with the June and December 2022 Forward transactions, the Company incurred certain execution fees of \$2.0 and \$2.0, respectively, which were recognized as a premium to the forward price recorded at inception and amortized ratably over the contract periods.

As part of the Forward agreements, the Company will pay interest on the outstanding underlying notional amount of the Forwards held by the Counterparties during the contract periods. The interest rates are variable, based on the United States secured overnight funding rate ("SOFR") plus a spread. The weighted average interest rate plus applicable spread for the June and December 2022 Forward transactions were 7.9% and 8.8%, respectively, as of March 31, 2023.

As part of the June 2022 Forward transaction, two of the Counterparties purchased approximately 27.0 million shares of the Company's Class A Common Stock. In addition, as part of the December 2022 Forward transaction, these two Counterparties purchased approximately 11.0 million shares of the Company's Class A Common Stock. The June and December 2022 Forward agreements require the Company to: (i) repurchase the shares on or before June 6, 2024 and December 15, 2024, respectively, at a price based on the weighted average of the daily volume weighted average price ("VWAP") during the initial acquisition period ("Initial Price"); or (ii) at the Company's option, pay or receive the difference between the Final Price, defined as the weighted average of the daily VWAP during the unwind period as defined in the agreement, and Initial Price of the Forwards.

As part of the December 2022 Forward transaction, the remaining Counterparty purchased approximately 11.5 million shares of the Company's Class A Common Stock. This Forward requires the Company to pay or receive the difference between the Final Price and Initial Price established at inception of the Forward on or before January 15, 2025.

In addition, the Forwards include a provision for a potential true-up in cash upon specified changes in the price of the Company's Class A Common Stock relative to the Initial Price ("Hedge Valuation Adjustment"). Such Hedge Valuation

Adjustment shall not result in a termination date or any adjustment of the number of Coty's Class A Common Stock shares purchased by the Counterparties at inception.

In the event the Company declares and pays any cash dividends on its Class A Common Stock, the Forward Counterparties will be entitled to such dividend payments and payable at termination of the Forwards.

Since the Forwards permit a net cash settlement alternative in addition to the physical settlement, the Company accounted for the Forwards initially and subsequently at their fair value, with changes in the fair value recorded in Other income, net in the Condensed Consolidated Statement of Operations.

Dividends

On April 29, 2020, the Board of Directors suspended the payment of dividends.

The change in dividends accrued recorded to APIC in the Condensed Consolidated Balance Sheet as of March 31, 2023 was \$0.1, which represent dividends no longer expected to vest as a result of forfeitures of outstanding restricted stock units ("RSUs"). In addition to the activity noted above, the Company made payments totaling \$0.7, of which \$0.2 relates to tax, for the previously accrued dividends on RSUs that vested during the nine months ended March 31, 2023.

Total accrued dividends on unvested RSUs and phantom units of \$1.0 and \$0.1 are included in Accrued expenses and other current liabilities and Other noncurrent liabilities, respectively, in the Condensed Consolidated Balance Sheet as of March 31, 2023.

Accumulated Other Comprehensive Income (Loss)

	Foreign Currency Translation Adjustments				Total
	Gain on Cash Flow Hedges	Gain (loss) on Net Investment Hedge	Other Foreign Currency Translation Adjustments	Pension and Other Post-Employment Benefit Plans ^(a)	
Balance—July 1, 2022	\$ 4.3	\$ 4.1	\$ (770.8)	\$ 44.5	\$ (717.9)
Other comprehensive income (loss) before reclassifications	0.1	(52.9)	88.4	1.8	37.4
Net amounts reclassified from AOCI(L)	(5.2)	—	—	(4.1)	(9.3)
Net current-period other comprehensive (loss) income	(5.1)	(52.9)	88.4	(2.3)	28.1
Balance—March 31, 2023	\$ (0.8)	\$ (48.8)	\$ (682.4)	\$ 42.2	\$ (689.8)

^(a) For the nine months ended March 31, 2023, other comprehensive income before reclassifications of \$1.8 and net amounts reclassified from AOCI(L) related to pensions and other post-employment benefit plans included amortization of prior service credits and actuarial losses of \$4.5, net of tax of \$0.4.

	Foreign Currency Translation Adjustments				Total
	Loss on Cash Flow Hedges	(Loss) gain on Net Investment Hedge	Other Foreign Currency Translation Adjustments	Pension and Other Post-Employment Benefit Plans	
Balance—July 1, 2021	\$ (15.5)	\$ (32.2)	\$ (259.3)	\$ (14.9)	\$ (321.9)
Other comprehensive income (loss) before reclassifications	6.3	24.2	(239.2)	—	(208.7)
Net amounts reclassified from AOCI(L)	8.2	—	—	2.1	10.3
Net current-period other comprehensive income (loss)	14.5	24.2	(239.2)	2.1	(198.4)
Balance—March 31, 2022	\$ (1.0)	\$ (8.0)	\$ (498.5)	\$ (12.8)	\$ (520.3)

16. SHARE-BASED COMPENSATION PLANS

Share-based compensation expense is recognized on a straight-line basis over the requisite service period. Total share-based compensation is shown in the table below:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Equity plan expense ^(a)	\$ 32.7	\$ 29.1	\$ 97.7	\$ 163.8
Liability plan (income) expense	0.9	(0.6)	1.2	0.5
Fringe expense	—	0.3	1.5	2.5
Total share-based compensation expense	\$ 33.6	\$ 28.8	\$ 100.4	\$ 166.8

^(a) Equity plan share-based compensation expense of \$32.7 and \$29.1 were recorded to additional paid in capital and presented in the Condensed Consolidated Statements of Equity for the three months ended March 31, 2023 and 2022, respectively. Equity plan share-based compensation expense of \$97.7 and \$163.8 were recorded to additional paid in capital and presented in the Condensed Consolidated Statements of Equity for the nine months ended March 31, 2023 and 2022, respectively.

As of March 31, 2023, the total unrecognized share-based compensation expense related to stock options, Series A Preferred Stock, restricted stock, and restricted stock units and other share awards is \$1.2, \$0.0, \$3.9 and \$103.8, respectively. The unrecognized share-based compensation expense related to stock options, Series A Preferred stock, restricted stock, and restricted stock units and other share awards is expected to be recognized over a weighted-average period of 1.11, 0.00, 2.07 and 1.43 years, respectively.

Restricted Stock Units and Other Share Awards

The Company granted nil and 8.3 million shares of RSUs and other share awards during the three and nine months ended March 31, 2023, respectively. The Company recognized share-based compensation expense of \$32.1 and \$29.4 for the three months ended March 31, 2023 and 2022, respectively, of which \$23.0 and \$22.6 related to Ms. Nabi's award, as described below. The Company recognized share-based compensation expense of \$97.3 and \$166.6 for the nine months ended March 31, 2023 and 2022, respectively, of which \$70.1 and \$146.6, respectively, related to Ms. Nabi's award.

The Company's CEO, Sue Nabi, was granted a one-time sign-on award of restricted stock units (the "Award") on June 30, 2021. The Award will vest and settle in 10.0 million shares of the Company's Class A Common Stock, par value \$0.01 per share, on each of August 31, 2021, August 31, 2022 and August 31, 2023, subject to her continued employment through each such date. The Company will recognize the share-based compensation expense, on a straight-line basis over the vesting period, based on the fair value on the grant date. The amount of compensation cost recognized at each vesting date must at least equal the portion of the award legally vested.

In connection with this Award, on October 29, 2021, JAB Beauty B.V., the Company's largest stockholder and a wholly-owned subsidiary of JAB Holding Company S.à r.l., completed the transfer of 10.0 million shares of Class A Common Stock to Ms. Nabi. In the event Ms. Nabi remains employed through the third vesting date, JAB Beauty B.V. has agreed, pursuant to an equity transfer agreement, to transfer to Ms. Nabi (either directly or through contributing to the Company) an additional 5.0 million shares of Class A Common Stock to Ms. Nabi.

On August 31, 2022, the Company issued 10.0 million shares of Class A Common Stock to Ms. Nabi in connection with the second vesting of the Award.

Restricted Stock

The Company granted 0.0 million and 0.4 million shares of restricted stock, during the three and nine months ended March 31, 2023, respectively. The Company recognized share-based compensation expense of \$0.7 and \$0.7 for the three months ended March 31, 2023 and 2022, respectively, and \$1.9 and \$1.2 for the nine months ended March 31, 2023 and 2022, respectively.

Series A Preferred Stock and Series A-1 Preferred Stock

The Company granted no shares of Series A Preferred Stock or Series A-1 Preferred Stock during the three and nine months ended March 31, 2023, respectively. The Company recognized share-based compensation expense (income) of \$0.6 and \$(0.7) for the three months ended March 31, 2023 and 2022, respectively, and \$0.4 and \$0.2 for the nine months ended March 31, 2023 and 2022, respectively.

Non-Qualified Stock Options

The Company granted no non-qualified stock options during the three and nine months ended March 31, 2023. The Company recognized share-based compensation expense (income) of \$0.2 and \$(0.6) for the three months ended March 31, 2023 and 2022, respectively, and \$0.8 and \$(1.2) for the nine months ended March 31, 2023 and 2022, respectively.

17. NET INCOME ATTRIBUTABLE TO COTY INC. PER COMMON SHARE

Reconciliation between the numerators and denominators of the basic and diluted income per share ("EPS") computations is presented below:

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
Amounts attributable to Coty Inc.:				
Net income from continuing operations	\$ 108.4	\$ 52.9	\$ 475.3	\$ 536.5
Convertible Series B Preferred Stock dividends	(3.3)	(3.3)	(9.9)	(195.0)
Net income from continuing operations attributable to common stockholders	105.1	49.6	465.4	341.5
Net income from discontinued operations, net of tax	—	0.7	—	4.5
Net income attributable to common stockholders	<u>\$ 105.1</u>	<u>\$ 50.3</u>	<u>\$ 465.4</u>	<u>\$ 346.0</u>
Weighted-average common shares outstanding:				
Weighted-average common shares outstanding—Basic	851.6	838.4	848.1	814.8
Effect of dilutive stock options and Series A Preferred Stock ^(a)	—	—	—	—
Effect of restricted stock and RSUs ^(b)	13.6	14.5	14.0	12.7
Effect of Convertible Series B Preferred Stock ^(c)	—	—	23.7	—
Effect of Forward Repurchase Contracts ^(d)	—	—	—	—
Weighted-average common shares outstanding—Diluted	<u>865.2</u>	<u>852.9</u>	<u>885.8</u>	<u>827.5</u>
Earnings per common share:				
Earnings from continuing operations per common share - basic	\$ 0.12	\$ 0.06	\$ 0.55	\$ 0.42
Earnings from continuing operations per common share - diluted ^(e)	0.12	0.06	0.54	0.42
Earnings per common share - basic	0.12	0.06	0.55	0.42
Earnings per common share - diluted ^(e)	0.12	0.06	0.54	0.42

^(a) For the three months ended March 31, 2023 and 2022, outstanding stock options and Series A Preferred Stock with purchase or conversion rights to purchase 5.6 million and 6.6 million shares of Common Stock, respectively, were anti-dilutive and excluded from the computation of diluted EPS. For the nine months ended March 31, 2023 and 2022, outstanding stock options and Series A Preferred Stock with purchase or conversion rights to purchase 5.8 million and 8.9 million weighted average shares of Common Stock, respectively, were anti-dilutive and excluded from the computation of diluted EPS.

^(b) For the three months ended March 31, 2023 and 2022, there were 0.0 and 0.7 million weighted average anti-dilutive RSUs, respectively, excluded from the computation of diluted EPS. For the nine months ended March 31, 2023 and 2022, there were 0.0 and 2.3 million weighted average anti-dilutive RSUs, respectively, excluded from the computation of diluted EPS.

^(c) For the three months ended March 31, 2023 and the three and nine months ended March 31, 2022, there were 23.7 million, 23.7 million and 79.2 million weighted average dilutive shares of Convertible Series B Preferred Stock, respectively, excluded from the computation of diluted EPS as their inclusion would be anti-dilutive.

^(d) For the three and nine months ended March 31, 2023, potential shares for the Forward Repurchase Contracts were excluded from the computation of diluted EPS as Coty is in the position to receive shares from the counterparties and as such their inclusion would be anti-dilutive.

⁽⁶⁾ Diluted EPS is adjusted by the effect of dilutive securities, including awards under the Company's equity compensation plans, the convertible Series B Preferred Stock, and the Forward Repurchase Contracts. When calculating any potential dilutive effect of stock options, Series A Preferred Stock, restricted stock and RSUs, the Company uses the treasury method and the if-converted method for the Convertible Series B Preferred Stock and the Forward Repurchase Contracts. The treasury method typically does not adjust the net income attributable to Coty Inc., while the if-converted method requires an adjustment to reverse the impact of the preferred stock dividends of \$3.3 and \$3.3, respectively, and to reverse the impact of fair market value (gains)/losses for contracts with the option to settle in shares or cash of \$(93.9) and \$0.0, respectively, if dilutive, for the three months ended March 31, 2023 and 2022 on net income applicable to common stockholders during the period. The if-converted method requires an adjustment to reverse the impact of the preferred stock dividends of \$9.9 and \$195.0, respectively, and to reverse the impact of fair market value (gains)/losses for contracts with the option to settle in shares or cash of \$(100.7) and \$0.0, respectively, if dilutive, for the nine months ended March 31, 2023 and 2022 on net income applicable to common stockholders during the period.

18. MANDATORILY REDEEMABLE FINANCIAL INTERESTS AND REDEEMABLE NONCONTROLLING INTERESTS

Mandatorily Redeemable Financial Interest

United Arab Emirates subsidiary

In July 2021, the Company purchased the remaining 25% noncontrolling interest of a certain subsidiary in the United Arab Emirates from the noncontrolling interest holder for \$7.1, pursuant to the related U.A.E. Shareholders Agreement. The termination was effective on December 31, 2020 and immediately prior to the cash payment, the noncontrolling interest balance was recorded as a mandatorily redeemable financial instrument liability.

Redeemable Noncontrolling Interests

Subsidiary in the Middle East

As of March 31, 2023, the noncontrolling interest holder in the Company's subsidiary in the Middle East had a 25% ownership share. The Company adjusts the redeemable noncontrolling interests ("RNCI") to redemption value at the end of each reporting period with changes recognized as adjustments to APIC. The Company recognized \$69.1 and \$69.8 as the RNCI balances as of March 31, 2023 and June 30, 2022, respectively.

19. COMMITMENTS AND CONTINGENCIES

Legal Matters

The Company is involved, from time to time, in various litigation, administrative and other legal proceedings, including regulatory actions, incidental or related to its business, including consumer class or collective actions, personal injury (including asbestos claims related to the Company's talc-based cosmetic products), intellectual property, competition, compliance and advertising claims litigation and disputes, among others (collectively, "Legal Proceedings"). While the Company cannot predict any final outcomes relating thereto, management believes that the outcome of current Legal Proceedings will not have a material effect upon its business, prospects, financial condition, results of operations, cash flows or the trading price of the Company's securities. However, management's assessment of the Company's current Legal Proceedings is ongoing, and could change in light of the discovery of additional facts with respect to Legal Proceedings not presently known to the Company, further legal analysis, or determinations by judges, arbitrators, juries or other finders of fact or deciders of law which are not in accord with management's evaluation of the probable liability or outcome of such Legal Proceedings. From time to time, the Company is in discussions with regulators, including discussions initiated by the Company, about actual or potential violations of law in order to remediate or mitigate associated legal or compliance risks and liabilities or penalties. As the outcomes of such proceedings are unpredictable, the Company can give no assurance that the results of any such proceedings will not materially affect its reputation, business, prospects, financial condition, results of operations, cash flows or the trading price of its securities.

Certain Litigation. A consolidated stockholder class and derivative action (the "Tender Offer Litigation") concerning the tender offer by JAB Beauty B.V. (the "Cottage Tender Offer") and the Schedule 14D-9 is pending against certain current and former directors of the Company, JAB Holding Company S.à r.l., JAB Holdings B.V., JAB Cosmetics B.V., and JAB Beauty B.V. in the Court of Chancery of the State of Delaware (the "Court"). The Company was named as a nominal defendant. The case, which was filed on May 6, 2019, was captioned Massachusetts Laborers' Pension Fund v. Harf et al., Case No. 2019-0336-AGB. On June 14, 2019, plaintiffs in the consolidated action filed a Verified Amended Class Action and Derivative Complaint ("Amended Complaint"). After defendants responded to the Amended Complaint, on October 21, 2019, plaintiffs filed a Verified Second Amended Class Action and Derivative Complaint (the "Second Amended Complaint"), alleging that the directors and JAB Holding Company S.à r.l., JAB Holdings B.V., JAB Cosmetics B.V., and JAB Beauty B.V. breached their fiduciary duties to the Company's stockholders and breached the Stockholders Agreement. The Second Amended Complaint seeks, among other things, monetary relief. On November 21, 2019, the defendants moved to dismiss certain claims asserted in

the Second Amended Complaint, and certain of the director defendants also answered the complaint. On May 7, 2020, plaintiffs stipulated to the dismissal without prejudice of JAB Holding Company S.à r.l. from the action. On August 17, 2020, the court denied the remaining motions to dismiss. On March 29, 2023, the parties to the Tender Offer Litigation entered into a Stipulation and Agreement of Compromise and Settlement, the terms of which have been made available as part of the public filing requirements associated with the court-approval process. The Court will hold a hearing to consider whether to approve the settlement in June 2023. If approved, the settlement is not expected to have a material impact on the Company's financial results.

At this time, the Company cannot reasonably estimate a range of loss, if any, not covered by available insurance, that may result given the current status of these lawsuits.

Brazilian Tax Assessments

The Company's Brazilian subsidiaries receive tax assessments from local, state and federal tax authorities in Brazil from time to time. Current open tax assessments as of March 31, 2023 are:

Assessment received	Type of assessment	Type of Tax	Tax period impacted	Estimated amount, including interest and penalties as of March 31, 2023
Mar-18	State sales tax credits, which the Treasury Office of the State of Goiás considers as improperly registered	ICMS	2016-2017	RS1.1 million (approximately \$0.2)
Aug-20		ICMS	2017-2019	RS555.4 million (approximately \$109.0)
Oct-20	Federal excise taxes, which the Treasury Office of the Brazil's Internal Revenue Service considers as improperly calculated	IPI	2016-2017	RS392.3 million (approximately \$77.0)
Nov-22		IPI	2018-2019	RS522.8 million (approximately \$102.6)
Nov-20	State sales taxes, which the Treasury Office of the State of Minas Gerais considers as improperly calculated	ICMS	2016-2019	RS212.5 million (approximately \$41.7)
Jun-21	State sales tax, which the Treasury Office of the State of Goiás considers as improperly calculated	ICMS	2016-2020	RS62.7 million (approximately \$12.3)

During the third quarter of fiscal 2023, the ICMS assessment received in November 2020 was moved to the judicial process. All other cases are currently in the administrative process. The Company is seeking favorable judicial and administrative decisions on the tax enforcement actions filed by the tax authorities for these assessments. The Company believes it has meritorious defenses and it has not recognized a loss for these assessments as the Company does not believe a loss is probable. Due to the fiscal environment in Brazil, the possibility of further tax assessments related to the same or similar matters cannot be ruled out.

20. RELATED PARTY TRANSACTIONS

Relationship with KKR

On December 22, 2021, the Company entered into an agreement with KKR Bidco related to post-closing adjustments to the purchase consideration for the Wella Business. In relation to this agreement, the Company recognized gains of \$2.1 and \$28.5, in the three and nine months ended March 31, 2023, respectively, which are reported in Other income, net in the Condensed Consolidated Statements of Operations. The unearned portion of amounts advanced to the Company as part of this agreement and cost reimbursements due to Wella were \$4.8 and \$0.2 as of March 31, 2023 and is reflected in Other noncurrent liabilities in the Condensed Consolidated Balance Sheet.

Wella

As of March 31, 2023, Coty owned 25.9% of the Wella Company as an equity investment and performs certain services to Wella. Refer to Note 8— Equity Investments.

In connection with the sale of the Wella Business, the Company and Wella entered into a Transitional Services Agreement ("TSA"). Subject to the terms of this TSA, the Company will perform services for Wella in exchange for related service fees. Such services include billing and collecting from Wella customers, certain logistics and warehouse services, as well as other administrative and systems support. The Company and Wella have mutually agreed to end the contracted TSA services on January 31, 2022. The Company and Wella have also entered into other manufacturing and distribution arrangements to facilitate the Wella Business transition in the U.S. and Brazil. TSA fees and other fees earned were \$0.9 and \$1.8, respectively,

for the three months ended March 31, 2023 and \$15.7 and \$1.7, respectively, for the three months ended March 31, 2022. TSA fees and other fees earned were \$2.4 and \$5.9, respectively, for the nine months ended March 31, 2023 and \$86.0 and \$4.8, respectively, for the nine months ended March 31, 2022. The TSA fees are principally invoiced on a cost plus basis. The TSA fees and other fees were included in Selling, general and administrative expenses and Cost of sales, respectively, in the Company's Condensed Consolidated Statement of Operations.

The Company also entered into an agreement with Wella to provide management, consulting and financial services to Wella and its direct and indirect divisions, subsidiaries, parent entities and controlled affiliates (in assisting it in the management of its business). Amounts due to the Company pursuant to this arrangement as of March 31, 2023 is \$0.6.

As of March 31, 2023, accounts receivable from and accounts payable to Wella of \$63.4 and \$9.1, respectively, were included in Prepaid expenses and other current assets and Accrued expenses and other current liabilities, respectively, in the Company's Condensed Consolidated Balance Sheets. Additionally, as of March 31, 2023, the Company has accrued \$35.1 related to long-term payables due to Wella included in Other noncurrent liabilities in the Company's Condensed Consolidated Balance Sheet.

In accordance with the separation agreement with Wella, Coty shall retain and be solely responsible for any amounts payable to former Coty employees transferred to Wella ("Wella employees"), who participated in the Coty Long-Term Incentive Plan. The Wella employees will continue to participate and vest on the current terms for the remaining vesting period after the separation. As such, Coty will continue to recognize the share-based compensation expense for Wella employees until the existing equity awards reach their vesting date. For the three and nine months ended March 31, 2023 and 2022, Coty recorded \$1.1 and \$1.0, respectively, and \$3.8 and \$(0.4), respectively of share-based compensation expense (income) related to Wella employees, which was presented as part of Other income, net in the Condensed Consolidated Statements of Operations.

The Company has certain sublease arrangements with Wella after the sale. The Company reported sublease income from Wella of \$2.3 and \$3.0, respectively, and \$7.0 and \$10.1, respectively, for the three and nine months ended March 31, 2023 and 2022.

21. SUBSEQUENT EVENTS

The Company announced a new compensatory program for the Company's CEO, Sue Nabi. Under the terms of the new arrangement, the Board has designed a long-term equity program with equity awards vesting through 2030, comprised of a one-time award of restricted stock units and an annual award of performance restricted stock units with three-year Company performance objectives. The Company filed a current report on Form 8-K on May 5, 2023 disclosing the terms of the new compensatory program.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the financial condition and results of operations of Coty Inc. and its consolidated subsidiaries, should be read in conjunction with the information contained in the Condensed Consolidated Financial Statements and related notes included elsewhere in this document, and in our other public filings with the Securities and Exchange Commission ("SEC"), including our Annual Report on Form 10-K for the fiscal year ended June 30, 2022 ("Fiscal 2022 Form 10-K"). When used in this discussion, the terms "Coty," the "Company," "we," "our," or "us" mean, unless the context otherwise indicates, Coty Inc. and its majority and wholly-owned subsidiaries. Also, when used in this Quarterly Report on Form 10-Q, the term "includes" and "including" means, unless the context otherwise indicates, including without limitation. The following report includes certain non-GAAP financial measures. See "Overview—Non-GAAP Financial Measures" for a discussion of non-GAAP financial measures and how they are calculated.

All dollar amounts in the following discussion are in millions of United States ("U.S.") dollars, unless otherwise indicated.

More information about potential risks and uncertainties that could affect our business and financial results is included under the heading "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Quarterly Report on Form 10-Q and other periodic reports we have filed and may file with the SEC from time to time.

Forward-looking Statements

Certain statements in this Form 10-Q are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, strategic planning, targets and outlook for future reporting periods (including the extent and timing of revenue, expense and profit trends and changes in operating cash flows and cash flows from operating activities and investing activities), the wind down of the Company's operations in Russia (including timing and expected impact), the Company's future operations and strategy (including the expected implementation and related impact of its strategic priorities), ongoing and future cost efficiency, optimization and restructuring initiatives and programs, expectations of the impact of inflationary pressures and the timing, magnitude and impact of pricing actions to offset inflationary costs, strategic transactions (including their expected timing and impact), expectations and/or plans with respect to joint ventures (including Wella and the timing and size of any related distribution or return of capital), the Company's capital allocation strategy and payment of dividends (including suspension of dividend payments and the duration thereof and any plans to resume cash dividends on common stock or to continue to pay dividends in cash on preferred stock), investments, licenses and portfolio changes, product launches, relaunched or rebranding (including the expected timing or impact thereof), synergies, savings, performance, cost, timing and integration of acquisitions, future cash flows, liquidity and borrowing capacity (including any refinancing or deleveraging activities), timing and size of cash outflows and debt deleveraging, the timing and extent of any future impairments, and synergies, savings, impact, cost, timing and implementation of the Company's ongoing transformation agenda (including operational and organizational structure changes, operational execution and simplification initiatives, fixed cost reductions, and supply chain changes), the impact, cost, timing and implementation of e-commerce and digital initiatives, the expected impact, cost, timing and implementation of sustainability initiatives (including progress, plans and goals), the impact of COVID-19, the expected impact of geopolitical risks including the ongoing war in Ukraine on our business operations, sales outlook and strategy, the expected impact of global supply chain challenges and/or inflationary pressures (including as a result of COVID-19 and/or the war in Ukraine) and expectations regarding future service levels, and the priorities of senior management. These forward-looking statements are generally identified by words or phrases, such as "anticipate", "are going to", "estimate", "plan", "project", "expect", "believe", "intend", "foresee", "forecast", "will", "may", "should", "outlook", "continue", "temporary", "target", "aim", "potential", "goal" and similar words or phrases. These statements are based on certain assumptions and estimates that we consider reasonable, but are subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual events or results (including our financial condition, results of operations, cash flows and prospects) to differ materially from such statements, including risks and uncertainties relating to:

- our ability to successfully implement our multi-year transformation agenda and compete effectively in the beauty industry, achieve the benefits contemplated by our strategic initiatives (including revenue growth, cost control, gross margin growth and debt deleveraging) and successfully implement our strategic priorities (including stabilizing our consumer beauty brands through leading innovation and improved execution, accelerating our prestige fragrance brands and ongoing expansion into prestige cosmetics, building a comprehensive skincare portfolio, enhancing our e-commerce and direct-to-consumer ("DTC") capabilities, expanding our presence in China through prestige products and select consumer beauty brands, and establishing Coty as an industry leader in sustainability) in each case within the expected time frame or at all;
- our ability to anticipate, gauge and respond to market trends and consumer preferences, which may change rapidly, and the market acceptance of new products, including new products related to Kylie Jenner's or Kim Kardashian West's existing beauty businesses, any relaunched or rebranded products and the anticipated costs and discounting associated with such relaunched and rebrands, and consumer receptiveness to our current and future marketing philosophy and consumer engagement activities (including digital marketing and media);

- use of estimates and assumptions in preparing our financial statements, including with regard to revenue recognition, income taxes (including the expected timing and amount of the release of any tax valuation allowance), the assessment of goodwill, other intangible and long-lived assets for impairments, the market value of inventory, the fair value of the equity investment, and the fair value of acquired assets and liabilities associated with acquisitions;
- the impact of any future impairments;
- managerial, transformational, operational, regulatory, legal and financial risks, including diversion of management attention to and management of cash flows, expenses and costs associated with the Company's response to COVID-19 (or future similar events), our transformation agenda, our global business strategies, the integration of the strategic partnerships with Kylie Jenner and Kim Kardashian West, and future strategic initiatives, and, in particular, our ability to manage and execute many initiatives simultaneously including any resulting complexity, employee attrition or diversion of resources;
- the timing, costs and impacts of divestitures and the amount and use of proceeds from any such transactions;
- future divestitures and the impact thereof on, and future acquisitions, new licenses and joint ventures and the integration thereof with, our business, operations, systems, financial data and culture and the ability to realize synergies, manage supply chain challenges and avoid future supply chain and other business disruptions, reduce costs (including through our cash efficiency initiatives), avoid liabilities and realize potential efficiencies and benefits (including through our restructuring initiatives) at the levels and at the costs and within the time frames contemplated or at all;
- increased competition, consolidation among retailers, shifts in consumers' preferred distribution and marketing channels (including to digital and Prestige channels), distribution and shelf-space resets or reductions, compression of go-to-market cycles, changes in product and marketing requirements by retailers, reductions in retailer inventory levels and order lead-times or changes in purchasing patterns, impact from COVID-19 on retail revenues, and other changes in the retail, e-commerce and wholesale environment in which we do business and sell our products and our ability to respond to such changes (including our ability to expand our digital, direct-to-consumer and e-commerce capabilities within contemplated timeframes or at all);
- our and our joint ventures', business partners' and licensors' abilities to obtain, maintain and protect the intellectual property used in our and their respective businesses, protect our and their respective reputations (including those of our and their executives or influencers) and public goodwill, and defend claims by third parties for infringement of intellectual property rights;
- any change to our capital allocation and/or cash management priorities, including any change in our dividend policy;
- any unanticipated problems, liabilities or integration or other challenges associated with a past or future acquired business, joint ventures or strategic partnerships, which could result in increased risk or new, unanticipated or unknown liabilities, including with respect to environmental, competition and other regulatory, compliance or legal matters, and specifically in connection with the strategic partnerships with Kylie Jenner and Kim Kardashian West, risks related to the entry into a new distribution channel, the potential for channel conflict, risks of retaining customers and key employees, difficulties of integration (or the risks associated with limiting integration), ability to protect trademarks and brand names, litigation or investigations by governmental authorities, and changes in law, regulations and policies that affect KKW Holdings, LLC's ("KKW Holdings") business or products, including risk that direct selling laws and regulations may be modified, interpreted or enforced in a manner that results in a negative impact to KKW Holdings' business model, revenue, sales force or business;
- our international operations and joint ventures, including enforceability and effectiveness of our joint venture agreements and reputational, compliance, regulatory, economic and foreign political risks, including difficulties and costs associated with maintaining compliance with a broad variety of complex local and international regulations;
- our dependence on certain licenses (especially in the fragrance category) and our ability to renew expiring licenses on favorable terms or at all;
- our dependence on entities performing outsourced functions, including outsourcing of distribution functions, and third-party manufacturers, logistics and supply chain suppliers, and other suppliers, including third-party software providers, web-hosting and e-commerce providers;
- administrative, product development and other difficulties in meeting the expected timing of market expansions, product launches, re-launches and marketing efforts, including in connection with new products related to Kylie Jenner's or Kim Kardashian West's existing beauty businesses or new products related to Orveda;

- changes in the demand for our products due to declining or depressed global or regional economic conditions, and declines in consumer confidence or spending, whether related to the economy (such as austerity measures, tax increases, high fuel costs, or higher unemployment), wars, natural or other disasters, weather, pandemics, security concerns, terrorist attacks or other factors;
- global political and/or economic uncertainties, disruptions or major regulatory or policy changes, and/or the enforcement thereof that affect our business, financial performance, operations or products, including the impact of the war in Ukraine and any escalation or expansion thereof, Brexit (and related business or market disruption), recent elections in Brazil, the current U.S. administration and mid-term elections, changes in the U.S. tax code, and recent changes and future changes in tariffs, retaliatory or trade protection measures, trade policies and other international trade regulations in the U.S., the European Union, and Asia and in other regions where we operate, potential regulatory limits on payment terms in the European Union, recent and future changes in sanctions regulations including in connection with the war in Ukraine and any escalation or expansion thereof, regulatory uncertainty impacting the wind-down of our business in Russia, and recent and future changes in regulations impacting the beauty industry, including regulatory measures addressing products, formulations, raw materials and packaging;
- currency exchange rate volatility and currency devaluation and/or inflation;
- our ability to implement and maintain pricing actions to effectively mitigate increased costs and inflationary pressures, and the reaction of customers or consumers to such pricing actions;
- the number, type, outcomes (by judgment, order or settlement) and costs of current or future legal, compliance, tax, regulatory or administrative proceedings, investigations and/or litigation, including product liability cases (including asbestos and talc-related litigation for which indemnities and/or insurance may not be available), distributor or licensor litigation, and compliance, litigation or investigations relating to our joint ventures and strategic partnerships;
- our ability to manage seasonal factors and other variability and to anticipate future business trends and needs;
- the impact of COVID-19 (or future similar events), including demand for the Company's products, illness, quarantines, government actions, facility closures, store closures or other restrictions in connection with the COVID-19 pandemic, and the extent and duration thereof, related impact on our ability to meet customer needs and on the ability of third parties on which we rely, including our suppliers, customers, contract manufacturers, distributors, contractors, commercial banks and joint-venture partners, to meet their obligations to us, in particular collections from customers, and the ability to successfully implement measures to respond to such impacts;
- disruptions in the availability and distribution of raw materials and components needed to manufacture our products, and our ability to effectively manage our production and inventory levels in response to supply challenges;
- disruptions in operations, sales and in other areas, including due to disruptions in our supply chain, restructurings and other business alignment activities, manufacturing or information technology systems, labor disputes, extreme weather and natural disasters, impact from COVID-19 or similar global public health events, the outbreak of war or hostilities (including the war in Ukraine and any escalation or expansion thereof), the impact of global supply chain challenges, and the impact of such disruptions on our ability to generate profits, stabilize or grow revenues or cash flows, comply with our contractual obligations and accurately forecast demand and supply needs and/or future results;
- our ability to adapt our business to address climate change concerns and to respond to increasing governmental and regulatory measures relating to environmental, social and governance matters, including expanding mandatory and voluntary reporting, diligence and disclosure, as well as new taxes (including on energy and plastic), and the impact of such measures on our costs, business operations and strategy;
- restrictions imposed on us through our license agreements, credit facilities and senior unsecured bonds or other material contracts, our ability to generate cash flow to repay, refinance or recapitalize debt and otherwise comply with our debt instruments, and changes in the manner in which we finance our debt and future capital needs;
- increasing dependency on information technology, including as a result of remote working practices, and our ability to protect against service interruptions, data corruption, cyber-based attacks or network security breaches, including ransomware attacks, costs and timing of implementation and effectiveness of any upgrades or other changes to information technology systems, and the cost of compliance or our failure to comply with any privacy or data security laws (including the European Union General Data Protection Regulation (the "GDPR"), the California Consumer Privacy Act and similar state laws, the Brazil General Data Protection Law, and the China Data Security Law and Personal Information Protection Law) or to protect against theft of customer, employee and corporate sensitive information;
- our ability to attract and retain key personnel and the impact of senior management transitions;
- the distribution and sale by third parties of counterfeit and/or gray market versions of our products;

- the impact of our transformation agenda on our relationships with key customers and suppliers and certain material contracts;
- our relationship with JAB Beauty B.V. (formerly known as Cottage Holdco B.V.), as our majority stockholder, and its affiliates, and any related conflicts of interest or litigation;
- our relationship with KKR, whose affiliate KKR Bidco, is an investor in the Wella Business, and any related conflicts of interest or litigation;
- future sales of a significant number of shares by our majority stockholder or the perception that such sales could occur; and
- other factors described elsewhere in this document and in documents that we file with the SEC from time to time.

More information about potential risks and uncertainties that could affect our business and financial results is included under the heading “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Quarterly Report on Form 10-Q and other periodic reports we have filed and may file with the SEC from time to time.

All forward-looking statements made in this document are qualified by these cautionary statements. These forward-looking statements are made only as of the date of this document, and we do not undertake any obligation, other than as may be required by applicable law, to update or revise any forward-looking or cautionary statements to reflect changes in assumptions, the occurrence of events, unanticipated or otherwise, or 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.

Industry, Ranking and Market Data

Unless otherwise indicated, information contained in this Quarterly Report on Form 10-Q concerning our industry and the markets in which we operate, including our general expectations about our industry, market position, market opportunity and market sizes, is based on data from various sources including internal data and estimates as well as third-party sources widely available to the public, such as independent industry publications, government publications, reports by market research firms or other published independent sources and on our assumptions based on that data and other similar sources. We did not fund and are not otherwise affiliated with the third-party sources that we cite. Industry publications and other published sources generally state that the information contained therein has been obtained from third-party sources believed to be reliable. Internal data and estimates are based upon information obtained from trade and business organizations and other contacts in the markets in which we operate and management’s understanding of industry conditions, and such information has not been verified by any independent sources. These data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While we generally believe the market, industry and other information included in this Quarterly Report on Form 10-Q to be the most recently available and to be reliable, such information is inherently imprecise and we have not independently verified any third-party information or verified that more recent information is not available.

Our fiscal year ends on June 30. Unless otherwise noted, any reference to a year preceded by the word “fiscal” refers to the fiscal year ended June 30 of that year. For example, references to “fiscal 2023” refer to the fiscal year ending June 30, 2023. Any reference to a year not preceded by “fiscal” refers to a calendar year.

OVERVIEW

We are one of the world’s largest beauty companies, with an iconic portfolio of brands across fragrance, color cosmetics, and skin and body care. Through targeted strategic transactions, we have strengthened and diversified our presence across the countries, categories and channels in which we compete, building a strong beauty platform. We continue to make progress on our strategic priorities, including stabilizing and growing our Consumer Beauty brands through leading innovation and improved execution, accelerating our Prestige fragrance business and ongoing expansion into Prestige cosmetics, building a comprehensive skincare portfolio leveraging existing brands, enhancing our e-commerce and Direct-to-Consumer (“DTC”) capabilities, expanding our presence in China through Prestige products and select Consumer Beauty brands, and establishing Coty as an industry leader in sustainability.

We remain attentive to economic and geopolitical conditions that may materially impact our business. We continue to explore and implement risk mitigation strategies in the face of these unfolding conditions and remain agile in adapting to changing circumstances. Such conditions have or may have global implications which may impact the future performance of our business in unpredictable ways.

Our operations outside of the United States account for a significant portion of our revenues and expenses. As a result, a substantial portion of our total revenue and expenses are denominated in currencies other than the U.S. dollar. Exchange rates between certain of these currencies and the U.S. dollar have fluctuated significantly and may continue to do so in the future.

Fluctuations in foreign exchange rates may have a significant impact on our operating results. During the nine months ended March 31, 2023, fluctuations in the U.S. dollar relative to certain other foreign currencies – such as the euro and British pound – reduced our reported revenue and expenses, such as those expenses principally related to cost of sales, fixed costs, and advertising and consumer promotional costs. Refer to Part I, Item 1A under the heading “Risk Factors” in our Annual Report on Form 10-K for fiscal 2022, for a discussion of these factors and other risks.

We expect that our net revenue for fiscal year 2023 will grow in the high single digits versus the prior year, excluding the impact of foreign exchange and the impact of the Russia exit.

Global Supply Chain Challenges

We continue to experience global supply chain challenges resulting from industry-wide component shortages and transportation delays. These challenges have negatively impacted order fill rates across our product categories, particularly prestige fragrances where there has been demand growth, especially in North America and certain European countries.

We continue to see sequential quarterly improvements in our order fill rates on a company-wide basis and continue to take steps to improve order fill rates and mitigate the impact of these constraints, including working closely with our suppliers to ensure the availability of components such as glass and metal, and building our inventory levels to meet demand. However, we expect these challenges to continue into the fourth quarter of fiscal 2023.

Inflation

Inflationary trends in certain markets and global supply chain challenges may negatively affect our sales and operating performance. We continued to experience the impact of inflation on material, logistical and other costs during the nine months ended March 31, 2023. We expect that the combination of our strategy to premiumize the portfolio, cost savings programs, and recent pricing actions will enable us to offset inflationary pressure on costs. We currently anticipate the impact of inflation to continue into the fourth quarter of fiscal 2023. We will continue to implement mitigation strategies and price increases to offset these trends; however, such measures may not fully offset the impact to our operating performance.

Russia-Ukraine War

We continue to wind down the operations of our Russian subsidiary. In connection with our wind down, we liquidated a portion of our remaining inventory in Russia, in accordance with applicable sanctions, during the first half of fiscal 2023. We anticipate incurring up to \$7.5 of additional costs through completion of the wind down, and future net cash costs of \$15.0 to \$25.0, which will be funded by our Russian subsidiary. Although the Company has substantially completed its commercial activities in Russia, we anticipate that the process related to the liquidation of the Russian legal entity will take an extended period of time. Additionally, we anticipate derecognizing the cumulative translation adjustment balance pertaining to the Russian subsidiary. The amount of future costs, including cash costs, will be subject to various factors, such as additional government regulation and the resolution of legal contingencies.

Non-GAAP Financial Measures

To supplement the financial measures prepared in accordance with GAAP, we use non-GAAP financial measures for continuing operations and Coty Inc. including Adjusted operating income (loss), Adjusted EBITDA, Adjusted net income (loss), and Adjusted net income (loss) attributable to Coty Inc. to common stockholders (collectively, the “Adjusted Performance Measures”). The reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are shown in tables below. These non-GAAP financial measures should not be considered in isolation from, or as a substitute for or superior to, financial measures reported in accordance with GAAP. Moreover, these non-GAAP financial measures have limitations in that they do not reflect all the items associated with the operations of the business as determined in accordance with GAAP. Other companies, including companies in the beauty industry, may calculate similarly titled non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

Despite the limitations of these non-GAAP financial measures, our management uses the Adjusted Performance Measures as key metrics in the evaluation of our performance and annual budgets and to benchmark performance of our business against our competitors. The following are examples of how these Adjusted Performance Measures are utilized by our management:

- strategic plans and annual budgets are prepared using the Adjusted Performance Measures;
- senior management receives a monthly analysis comparing budget to actual operating results that is prepared using the Adjusted Performance Measures; and
- senior management’s annual compensation is calculated, in part, by using some of the Adjusted Performance Measures.

In addition, our financial covenant compliance calculations under our debt agreements are substantially derived from these Adjusted Performance Measures.

Our management believes that Adjusted Performance Measures are useful to investors in their assessment of our operating performance and the valuation of the Company. In addition, these non-GAAP financial measures address questions we routinely receive from analysts and investors and, in order to ensure that all investors have access to the same data, our management has determined that it is appropriate to make this data available to all investors. The Adjusted Performance Measures exclude the impact of certain items (as further described below) and provide supplemental information regarding our operating performance. By disclosing these non-GAAP financial measures, our management intends to provide investors with a supplemental comparison of our operating results and trends for the periods presented. Our management believes these measures are also useful to investors as such measures allow investors to evaluate our performance using the same metrics that our management uses to evaluate past performance and prospects for future performance. We provide disclosure of the effects of these non-GAAP financial measures by presenting the corresponding measure prepared in conformity with GAAP in our financial statements, and by providing a reconciliation to the corresponding GAAP measure so that investors may understand the adjustments made in arriving at the non-GAAP financial measures and use the information to perform their own analyses.

Adjusted operating income/Adjusted EBITDA from continuing operations excludes restructuring costs and business structure realignment programs, amortization, acquisition- and divestiture-related costs and acquisition accounting impacts, stock-based compensation, and asset impairment charges and other adjustments as described below. For adjusted EBITDA, in addition to the preceding, we exclude adjusted depreciation as defined below. We do not consider these items to be reflective of our core operating performance due to the variability of such items from period-to-period in terms of size, nature and significance. They are primarily incurred to realign our operating structure and integrate new acquisitions, and implement divestitures of components of our business, and fluctuate based on specific facts and circumstances. Additionally, Adjusted net income attributable to Coty Inc. and Adjusted net income attributable to Coty Inc. per common share are adjusted for certain interest and other (income) expense items and preferred stock deemed dividends, as described below, and the related tax effects of each of the items used to derive Adjusted net income as such charges are not used by our management in assessing our operating performance period-to-period.

Adjusted Performance Measures reflect adjustments based on the following items:

- Costs related to acquisition and divestiture activities: We have excluded acquisition- and divestiture-related costs and the accounting impacts such as those related to transaction costs and costs associated with the revaluation of acquired inventory in connection with business combinations because these costs are unique to each transaction. Additionally, for divestitures, we exclude write-offs of assets that are no longer recoverable and contract related costs due to the divestiture. The nature and amount of such costs vary significantly based on the size and timing of the acquisitions and divestitures, and the maturities of the businesses being acquired or divested. Also, the size, complexity and/or volume of past transactions, which often drives the magnitude of such expenses, may not be indicative of the size, complexity and/or volume of any future acquisitions or divestitures.
- Restructuring and other business realignment costs: We have excluded costs associated with restructuring and business structure realignment programs to allow for comparable financial results to historical operations and forward-looking guidance. In addition, the nature and amount of such charges vary significantly based on the size and timing of the programs. By excluding the referenced expenses from our non-GAAP financial measures, our management is able to further evaluate our ability to utilize existing assets and estimate their long-term value. Furthermore, our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Asset impairment charges: We have excluded the impact of asset impairments as such non-cash amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions. Our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Amortization expense: We have excluded the impact of amortization of finite-lived intangible assets, as such non-cash amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions. Our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance. Although we exclude amortization of intangible assets from our non-GAAP expenses, our management believes that it is important for investors to understand that such intangible assets contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in the amortization of additional intangible assets.
- Costs related to market exit: We have excluded the impact of direct incremental costs related to our decision to wind down our business operations in Russia. We believe that these direct and incremental costs are inconsistent and infrequent in nature. Consequently, our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.

- Gains on sale of real estate: We have excluded the impact of gains on sale of real estate as such amounts are inconsistent in amount and frequency and are significantly impacted by the size of the sale. Our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Stock-based compensation: Although stock-based compensation is a key incentive offered to our employees, we have excluded the effect of these expenses from the calculation of adjusted operating income and adjusted EBITDA. This is due to their primarily non-cash nature; in addition, the amount and timing of these expenses may be highly variable and unpredictable, which may negatively affect comparability between periods.
- Depreciation and Adjusted depreciation: Our adjusted operating income excludes the impact of accelerated depreciation for certain restructuring projects that affect the expected useful lives of Property, Plant and Equipment, as such charges vary significantly based on the size and timing of the programs. Further, we have excluded adjusted depreciation, which represents depreciation expense net of accelerated depreciation charges, from our adjusted EBITDA. Our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Other (income) expense: We have excluded the impact of pension curtailment (gains) and losses and pension settlements as such events are triggered by our restructuring and other business realignment activities and the amount of such charges vary significantly based on the size and timing of the programs. Further, we have excluded the change in fair value of the investment in Wella, as our management believes these unrealized (gains) and losses do not reflect our underlying ongoing business, and the adjustment of such impact helps investors and others compare and analyze performance from period to period. We have excluded the gain on the exchange of Series B Preferred Stock. Such transactions do not reflect our operating results and we have excluded the impact as our management believes that the adjustment of these items supplements the GAAP information with a measure that can be used to assess the sustainability of our operating performance.
- Noncontrolling interest: This adjustment represents the after-tax impact of the non-GAAP adjustments included in Net income attributable to noncontrolling interests based on the relevant noncontrolling interest percentage.
- Tax: This adjustment represents the impact of the tax effect of the pretax items excluded from Adjusted net income. The tax impact of the non-GAAP adjustments is based on the tax rates related to the jurisdiction in which the adjusted items are received or incurred. Additionally, adjustments are made for the tax impact of any intra-entity transfer of assets and liabilities.
- Deemed Preferred Stock Dividends: We have excluded preferred stock deemed dividends related to the First Exchange and the Second Exchange (as disclosed and defined in Note 13—Equity Investments in our Annual Report on Form 10-K for fiscal 2022) from our calculation of adjusted net income attributable to Coty Inc. These deemed dividends are nonmonetary in nature, the transactions were entered into to simplify our capital structure and do not reflect our underlying ongoing business. Management believes that this adjustment helps investors and others compare and analyze our performance from period to period.

While acquiring brands and licenses comprises a part of our overall growth strategy, along with targeting organic growth opportunities, we have excluded acquisition-related costs and acquisition accounting impacts in connection with business combinations because these costs are unique to each transaction and the amount and frequency are not consistent and are significantly impacted by the timing and size of our acquisitions. Our management assesses the success of an acquisition as a component of performance using a variety of indicators depending on the size and nature of the acquisition, including:

- the scale of the combined company by evaluating consolidated and segment financial metrics;
- the expansion of product offerings by evaluating segment, brand, and geographic performance and the respective strength of the brands;
- the evaluation of share expansion in categories and geographies;
- the earnings per share accretion and substantial incremental free cash flow generation providing financial flexibility for us; and
- the comparison of actual and projected results, including achievement of projected synergies, post integration; provided that timing for any such comparison will depend on the size and complexity of the acquisition.

Constant Currency

We operate on a global basis, with the majority of our net revenues generated outside of the U.S. Accordingly, fluctuations in foreign currency exchange rates can affect our results of operations. Therefore, to supplement financial results presented in accordance with GAAP, certain financial information is presented in “constant currency”, excluding the impact of foreign currency exchange translations to provide a framework for assessing how our underlying businesses performed excluding the impact of foreign currency exchange translations. Constant currency information compares results between periods as if exchange rates had remained constant period-over-period. We calculate constant currency information by translating current and prior-period results for entities reporting in currencies other than U.S. dollars into U.S. dollars using prior year foreign currency exchange rates. The constant currency calculations do not adjust for the impact of revaluing specific transactions denominated in a currency that is different to the functional currency of that entity when exchange rates fluctuate. The constant currency information we present may not be comparable to similarly titled measures reported by other companies.

Basis of Presentation of Acquisitions, Divestitures, Terminations and Market Exit from Russia

During the period when we complete an acquisition, divestiture or early license termination, the financial results of the current year period are not comparable to the financial results presented in the prior year period. When explaining such changes from period to period and to maintain a consistent basis between periods, we exclude the financial contribution of: (i) the acquired brands or businesses in the current year period until we have twelve months of comparable financial results and (ii) the divested brands or businesses or early terminated brands, to maintain comparable financial results with the current fiscal year period. There are no acquisitions, divestitures or early license terminations in the comparable periods that would impact the comparability of financial results between periods. We ceased commercial activities in Russia at the end of the second quarter of fiscal 2023. Therefore, we have excluded the third quarter fiscal 2022 financial contribution of our Russian subsidiary, in our discussion of net revenues, to maintain comparability of financial results between periods presented in the Management’s Discussion and Analysis of Financial Condition.

THREE MONTHS ENDED MARCH 31, 2023 AS COMPARED TO THREE MONTHS ENDED MARCH 31, 2022**NET REVENUES**

In the three months ended March 31, 2023, net revenues increased 9%, or \$102.7, to \$1,288.9 from \$1,186.2 in the three months ended March 31, 2022. Excluding net revenue from the third quarter of the prior period from Russia, net revenues increased 11% or \$127.5 to \$1,288.9 from \$1,161.4 in the three months ended March 31, 2022, reflecting a positive price and mix impact of 12% and an increase in unit volume of 3%, partially offset by negative foreign currency exchange translation impact of 4%. The overall increase in net revenues reflects growth of prestige fragrances, specifically *Hugo Boss*, *Burberry*, *Marc Jacobs*, *Calvin Klein* and *Gucci*. Net revenues increased in our Consumer Beauty segment due to positive performance across the color cosmetics category, across a majority of markets and the body care category in Brazil. The overall increase in net revenues reflects the successful implementation of global price increases across all product categories, our product premiumization strategy, and positive overall market trends. Additionally, there was growth in travel retail sales, principally in Europe, due to increased leisure travel in the period. There was also an increase in e-commerce net revenues. These positive trends were partially offset by foreign exchange headwinds which negatively impacted net revenues significantly, primarily affecting the euro and British pound.

Net Revenues by Segment

(in millions)	Three Months Ended March 31,		Change %
	2023	2022	
NET REVENUES			
Prestige	\$ 799.7	\$ 726.4	10 %
Consumer Beauty	489.2	459.8	6 %
Total	\$ 1,288.9	\$ 1,186.2	9 %

Prestige

In the three months ended March 31, 2023, net revenues from the Prestige segment increased 10%, or \$73.3 to \$799.7 compared to \$726.4 in the three months ended March 31, 2022. Excluding net revenue from the third quarter of the prior period from Russia, net revenues from the Prestige segment increased 12% or \$88.6 to \$799.7 from \$711.1 in the three months ended March 31, 2022, reflecting a positive price and mix impact of 11% and an increase in unit volume of 5%, partially offset by negative foreign currency exchange translation impact of 4%. This increase in net revenues primarily reflects:

- (i) the continued success and growth of prestige fragrances, specifically *Hugo Boss Boss Bottled*, *Burberry Hero*, *Burberry Her*, *Marc Jacobs Daisy*, *Calvin Klein* and *Gucci Flora*; and
- (ii) an increase in net revenues due to positive pricing impact as a result of global price increases and in line with the overall premiumization strategy.

These increases in net revenues were partially offset by:

- (i) lower net revenues for *philosophy* due to less innovation and repositioning of the brand; and
- (ii) lower net revenues in the Prestige makeup category impacted by a decline in *Gucci* travel retail sales in the Asia Pacific region as a result of slow recovery from the lockdowns in China.

Consumer Beauty

In the three months ended March 31, 2023, net revenues from the Consumer Beauty segment increased 6%, or \$29.4, to \$489.2 from \$459.8 in the three months ended March 31, 2022. Excluding net revenue from the third quarter of the prior period from Russia, net revenues from the Consumer Beauty segment increased 9% or \$38.9 to \$489.2 from \$450.3 in the three months ended March 31, 2022, reflecting a positive price and mix impact of 10% and an increase in unit volume of 2%, partially offset by negative foreign currency exchange translation impact of 3%. The increase in net revenues primarily reflects:

- (i) an increase in net revenues from color cosmetics brands, including *CoverGirl* due to gain in distribution alongside a strong launch of Yummy Gloss, *Rimmel Manhattan* due to increase in sales volumes in key European markets, and *Max Factor* from brand innovation;
- (ii) an increase in net revenues from the skin and body care brands in Brazil due to strong category momentum, market share gains, positive product mix impact, as well as due to innovation in brands such as *Monange*; and
- (iii) an increase in net revenues due to price increases across the Consumer Beauty product portfolio.

These increases in net revenues were partially offset by:

- (i) a decrease in net revenues due to lower sales volume for *Adidas* mainly as a result of slow recovery from the lockdowns in China.

COST OF SALES

In the three months ended March 31, 2023, cost of sales increased 13%, or \$55.0, to \$478.1 from \$423.1 in the three months ended March 31, 2022. Cost of sales as a percentage of net revenues increased to 37.1% in the three months ended March 31, 2023 from 35.7% in the three months ended March 31, 2022, resulting in a gross margin decrease of approximately 140 basis points, primarily reflecting:

- (i) approximately 70 basis points primarily due to higher trade incentives across both divisions;
- (ii) approximately 60 basis points of net impact related to increased manufacturing, material and other costs due to inflation, as well as the impact of pricing and mix across our product portfolio;
- (iii) approximately 50 basis points related to freight costs; and
- (iv) approximately 10 basis points related to designer license fees due to the impact of our licensed brand sales comprising a higher portion of overall net sales compared to the comparative period.

These decreases were partially offset by:

- (i) approximately 40 basis points due to favorable impact on variable costs due to increased manufacturing efficiencies, improvements in productivity, as well as procurement and material cost optimization; and
- (ii) approximately 10 basis points in decreased excess and obsolescence costs.

Included in the above is the negative impact of inflation on material and freight costs of approximately 210 basis points.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

In the three months ended March 31, 2023, selling, general and administrative expenses increased 9%, or \$61.1, to \$720.4 from \$659.3 in the three months ended March 31, 2022. Selling, general and administrative expenses as a percentage of net revenues increased to 55.9% in the three months ended March 31, 2023 from 55.6% in the three months ended March 31, 2022, or approximately 30 basis points. This increase primarily reflects:

- (i) 180 basis points due to a gain on sale of real estate that was recorded in the comparative period;

- (ii) 20 basis points due to higher stock compensation expense as a percentage of net revenues due to awards granted in the second quarter of the current fiscal year;
- (iii) 20 basis due to unfavorable transactional impact from our exposure to foreign currency exchange fluctuations;
- (iv) 10 basis points due to an increase in advertising and consumer promotional costs as a percentage of net revenue primarily related to increased launch event spend for new product innovations; and
- (v) 10 basis points related to an increase in bad debt expense as a percentage of net revenues.

This increase was partially offset by the following decrease:

- (i) 190 basis points due to a decrease in administrative costs as a percentage of net revenues primarily due to lower depreciation expense related to fully depreciated IT equipment; and
- (ii) 50 basis points related to a decrease in logistics costs as a percentage of net revenues.

OPERATING INCOME

In the three months ended March 31, 2023, operating income was \$43.5 compared to income of \$57.1 in the three months ended March 31, 2022. Operating income as a percentage of net revenues, decreased to 3.4% in the three months ended March 31, 2023 as compared to an operating income as a percentage of net revenues of 4.8% in the three months ended March 31, 2022. The decrease in operating margin is primarily driven by a gain on the sale of real estate recognized in the comparative period and an increase in cost of goods sold as a percentage of net revenues, partially offset by a decrease in fixed costs as a percentage of net revenues.

Operating Income (Loss) by Segment

(in millions)	Three Months Ended March 31,		Change %
	2023	2022	
Operating income (loss)			
Prestige	\$ 102.4	\$ 83.8	22 %
Consumer Beauty	(27.9)	(20.4)	(37)%
Corporate	(31.0)	(6.3)	<(100)%
Total	\$ 43.5	\$ 57.1	(24)%

Prestige

In the three months ended March 31, 2023, operating income for Prestige was \$102.4 compared to income of \$83.8 in the three months ended March 31, 2022. Operating margin increased to 12.8% of net revenues in the three months ended March 31, 2023 as compared to 11.5% in the three months ended March 31, 2022, driven by a decrease in fixed costs as a percentage of net revenues and a decrease in advertising and consumer promotional costs as a percentage of net revenues, partially offset by an increase in cost of goods sold as a percentage of net revenues.

Consumer Beauty

In the three months ended March 31, 2023, operating loss for Consumer Beauty was \$27.9 compared to loss of \$20.4 in the three months ended March 31, 2022. Operating margin decreased to (5.7)% of net revenues in the three months ended March 31, 2023 as compared to (4.4)% in the three months ended March 31, 2022, driven by an increase in advertising and consumer promotional costs and increase in cost of goods sold as a percentage of net revenues, partially offset by a decrease in fixed costs as a percentage of net revenues.

Corporate

Corporate primarily includes income and expenses not directly relating to our operating activities. These items are included in Corporate since we consider them to be Corporate responsibilities, and these items are not used by our management to measure the underlying performance of the segments.

In the three months ended March 31, 2023, the operating loss for Corporate was \$31.0 compared to an loss of \$6.3 in the three months ended March 31, 2022, as described under "Adjusted Operating Income (Loss) for Continuing Operations" below. The increase in the operating loss for Corporate was primarily driven by a gain on the sale of real estate recognized in the comparative period.

Adjusted Operating Income by Segment

We believe that adjusted operating income by segment further enhances an investor's understanding of our performance. See "Overview—Non-GAAP Financial Measures." A reconciliation of reported operating income to adjusted operating income is presented below, by segment:

(in millions)	Three Months Ended March 31, 2023		
	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)
Operating income			
Prestige	\$ 102.4	\$ 38.3	\$ 140.7
Consumer Beauty	(27.9)	9.9	(18.0)
Corporate	(31.0)	31.0	—
Total	\$ 43.5	\$ 79.2	\$ 122.7

(in millions)	Three Months Ended March 31, 2022		
	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)
Operating income			
Prestige	\$ 83.8	\$ 39.3	\$ 123.1
Consumer Beauty	(20.4)	10.9	(9.5)
Corporate	(6.3)	6.3	—
Total	\$ 57.1	\$ 56.5	\$ 113.6

^(a) See a reconciliation of reported operating income to adjusted operating income and a description of the adjustments under "Adjusted Operating Income for Continuing Operations" below. All adjustments are reflected in Corporate, except for amortization and asset impairment charges on goodwill, indefinite-lived intangible assets, and finite-lived intangible assets, which are reflected in the Prestige and Consumer Beauty segments.

Adjusted Operating Income and Adjusted EBITDA for Continuing Operations

We believe that adjusted operating income further enhances an investor's understanding of our performance. See "Overview—Non-GAAP Financial Measures." Reconciliation of reported operating income to adjusted operating income is presented below:

(in millions)	Three Months Ended March 31,		Change %
	2023	2022	
Reported operating income	\$ 43.5	\$ 57.1	(24)%
<i>% of net revenues</i>	<i>3.4 %</i>	<i>4.8 %</i>	
Amortization expense	48.2	50.2	(4)%
Restructuring and other business realignment costs	(1.3)	(3.7)	65 %
Stock-based compensation	33.6	28.5	18 %
Costs related to acquisition and divestiture activities	—	3.3	(100)%
Gain on sale of real estate	—	(21.8)	100 %
Gain related to market exit	(1.3)	—	N/A
Total adjustments to reported operating income	\$ 79.2	\$ 56.5	40 %
Adjusted operating income	\$ 122.7	\$ 113.6	8 %
<i>% of net revenues</i>	<i>9.5 %</i>	<i>9.6 %</i>	
Adjusted depreciation	59.2	68.9	(14)%
Adjusted EBITDA	\$ 181.9	\$ 182.5	— %
<i>% of net revenues</i>	<i>14.1 %</i>	<i>15.4 %</i>	

In the three months ended March 31, 2023, adjusted operating income increased \$9.1 to \$122.7 from \$113.6 in the three months ended March 31, 2022. Adjusted operating margin decreased to 9.5% of net revenues in the three months ended March

31, 2023 from 9.6% in the three months ended March 31, 2022. In the three months ended March 31, 2023, adjusted EBITDA decreased \$0.6 to \$181.9 from \$182.5 in the three months ended March 31, 2022. Adjusted EBITDA margin decreased to 14.1% of net revenues in the three months ended March 31, 2023 from 15.4% in the three months ended March 31, 2022, primarily driven by an increase in cost of goods sold as a percentage of net revenues, partially offset by lower fixed costs.

Amortization Expense

In the three months ended March 31, 2023, amortization expense decreased to \$48.2 from \$50.2 in the three months ended March 31, 2022. In the three months ended March 31, 2023, amortization expense of \$38.3 and \$9.9 was reported in the Prestige and Consumer Beauty segments, respectively. In the three months ended March 31, 2022, amortization expense of \$39.3 and \$10.9 was reported in the Prestige and Consumer Beauty segments, respectively. The decrease was primarily driven by certain license agreements and product formulations, which were fully amortized in the prior year.

Restructuring and Other Business Realignment Costs

We continue to analyze our cost structure, including opportunities to simplify and optimize operations. In connection with the four-year Turnaround plan announced on July 1, 2019 to drive substantial improvement and optimization in our business, we have and expect to continue to incur restructuring and other business realignment costs. On May 11, 2020, we announced an expansion of the Turnaround Plan to further reduce fixed costs, the Transformation Plan. We incurred \$515.9 of cash costs life-to-date as of March 31, 2023, which have been recorded in Corporate.

In the three months ended March 31, 2023, we incurred a credit in restructuring and other business structure realignment costs of \$(1.3), as follows:

- We incurred a credit in restructuring costs of \$(1.3) primarily related to the Transformation Plan changes in estimates, included in the Condensed Consolidated Statements of Operations; and
- We incurred no business structure realignment costs.

In the three months ended March 31, 2022, we incurred a credit in restructuring and other business structure realignment costs of \$(3.7) as follows:

- We incurred a credit in restructuring costs of \$(6.8) primarily related to the Transformation Plan due to the change in estimate, included in the Condensed Consolidated Statements of Operations; and
- We incurred business structure realignment costs of \$3.1 primarily related to the Transformation Plan and certain other programs. This amount includes \$3.1 reported in Cost of sales in the Condensed Consolidated Statement of Operations.

In all reported periods, all restructuring and other business realignment costs were reported in Corporate.

Stock-Based Compensation

In the three months ended March 31, 2023, stock-based compensation was \$33.6 as compared with \$28.5 in the three months ended March 31, 2022. The increase in stock-based compensation is primarily related to awards granted in the second quarter of the current fiscal year.

In the three months ended December 31, 2022 and 2021, all costs related to stock-based compensation were reported in Corporate.

Acquisition and Divestiture Activities

In the three months ended March 31, 2023 we incurred no costs related to acquisition and divestiture activities.

In the three months ended March 31, 2022, we incurred \$3.3 of costs related to acquisition and divestiture activities. These costs were primarily associated with the Wella Transaction.

In all reported periods, all costs related to acquisition and divestiture activities were reported in Corporate.

Gain on Sale of Real Estate

In the three months ended March 31, 2023, we did not recognize any gain related to sale of real estate.

In the three months ended March 31, 2022, we recognized gain of \$21.8 related to sale of real estate.

Gain Related to Market Exit

In the three months ended March 31, 2023, we recognized a gain of \$1.3 related to our market exit from Russia which are included in Selling, general and administrative expenses and Cost of sales in the Consolidated Statements of Operations.

In the three months ended March 31, 2022, we did not incur any market exit costs.

Adjusted Depreciation Expense

In the three months ended March 31, 2023, adjusted depreciation expense of \$28.6 and \$30.6 was reported in the Prestige and Consumer Beauty segments, respectively. In the three months ended March 31, 2022, adjusted depreciation expense of \$32.8 and \$36.1 was reported in the Prestige and Consumer Beauty segments, respectively.

INTEREST EXPENSE, NET

In the three months ended March 31, 2023, net interest expense was \$58.8 as compared with \$62.9 in the three months ended March 31, 2022. This decrease is primarily due to a lower debt balance despite the impact of a higher average interest rate in the current period.

OTHER INCOME

In the three months ended March 31, 2023, other income was \$156.9 as compared with other income of \$60.6 in the three months ended March 31, 2022. This increase in income is principally due to an increase in income due to a fair value adjustment for our forward repurchase contracts, partially offset by the favorable fair value adjustment for our investment in the Wella Company recorded in the comparative period.

INCOME TAXES

The effective income tax rate for the three months ended March 31, 2023 and 2022 was 21.0% and 0.9%, respectively. The change in the effective tax rate for the three months ended March 31, 2023, as compared with the three months ended March 31, 2022, is primarily due to fair value gains related to the investment in the Wella business in the prior period.

The effective income tax rates vary from the U.S. federal statutory rate of 21% due to the effect of (i) jurisdictions with different statutory rates, (ii) adjustments to our unrecognized tax benefits and accrued interest, (iii) non-deductible expenses, (iv) audit settlements and (v) valuation allowance changes. Our effective tax rate could fluctuate significantly and could be adversely affected to the extent earnings are lower than anticipated in countries that have lower statutory rates and higher than anticipated in countries that have higher statutory rates.

Reconciliation of Reported Income Before Income Taxes to Adjusted Income Before Income Taxes and Effective Tax Rates:

(in millions)	Three Months Ended March 31, 2023			Three Months Ended March 31, 2022		
	Income Before Income Taxes	Provision for Income Taxes	Effective Tax Rate	Income Before Income Taxes	Provision for Income Taxes	Effective Tax Rate
Reported income before income taxes	\$ 141.6	\$ 29.8	21.0 %	\$ 54.8	\$ 0.5	0.9 %
Adjustments to reported operating income ^(a)	79.2			56.5		
Change in fair value of investment in Wella Business ^(c)	—			(60.7)		
Other adjustments ^(d)	0.2			0.4		
Total Adjustments ^(b)	79.4	14.8		(3.8)	17.0	
Adjusted income before income taxes	\$ 221.0	\$ 44.6	20.2 %	\$ 51.0	\$ 17.5	34.3 %

^(a) See a description of adjustments under "Adjusted Operating Income for Continuing Operations."

^(b) The tax effects of each of the items included in adjusted income are calculated in a manner that results in a corresponding income tax expense/provision for adjusted income. In preparing the calculation, each adjustment to reported income is first analyzed to determine if the adjustment has an income tax consequence. The provision for taxes is then calculated based on the jurisdiction in which the adjusted items are incurred, multiplied by the respective statutory rates and offset by the increase or reversal of any valuation allowances commensurate with the non-GAAP measure of profitability.

^(c) The amount represents the realized and unrealized (gain) loss recognized for the change in fair value of the investment in Wella.

^(d) For the three months ended March 31, 2023, this primarily represents adjustments for equity loss from KKW. For the three months ended March 31, 2022, this primarily represents adjustments for equity loss from KKW offset by pension curtailment gains.

The adjusted effective tax rate was 20.2% for the three months ended March 31, 2023 compared to 34.3% for the three months ended March 31, 2022. The differences were primarily due to gains on forward repurchase contracts recognized in the current period.

NET INCOME ATTRIBUTABLE TO COTY INC.

Net income attributable to Coty Inc. was \$108.4 in the three months ended March 31, 2023 as compared to net income of \$53.6 in the three months ended March 31, 2022. The increase in the income is primarily driven by an increase in forward repurchase contract gains in the current period, partially offset by the favorable fair value adjustment for our investment in the Wella Company recorded in the comparative period and lower operating income in the current period.

We believe that adjusted net income attributable to Coty Inc. provides an enhanced understanding of our performance. See “Overview—Non-GAAP Financial Measures.”

(in millions)	Three Months Ended March 31,		Change %
	2023	2022	
Net income from Coty Inc. net of noncontrolling interests	\$ 108.4	\$ 53.6	>100%
Convertible Series B Preferred Stock dividends ^(a)	(3.3)	(3.3)	— %
Reported net income attributable to Coty Inc.	\$ 105.1	\$ 50.3	>100%
% of net revenues	8.2 %	4.2 %	
Adjustments to reported operating income ^(b)	79.2	56.5	40 %
Adjustments to Loss on Sale of Business ^(c)	—	(1.3)	100 %
Change in fair value of investment in Wella Company ^(d)	—	(60.7)	100 %
Adjustment to other expense ^(e)	0.2	0.4	(50)%
Adjustments to noncontrolling interests ^(f)	(1.6)	(1.8)	11 %
Change in tax provision due to adjustments to reported net income attributable to Coty Inc.	(14.8)	(16.4)	10 %
Adjusted net income attributable to Coty Inc.	\$ 168.1	\$ 27.0	>100%
% of net revenues	13.0 %	2.3 %	
Per Share Data			
Adjusted weighted-average common shares			
Basic	851.6	838.4	
Diluted ^(a)	888.9	852.9	
Adjusted net income attributable to Coty Inc. per common share			
Basic	\$ 0.20	\$ 0.03	
Diluted ^(a)	\$ 0.19	\$ 0.03	

^(a) Adjusted Diluted EPS is adjusted by the effect of dilutive securities. For the three months ended March 31, 2023, shares for the Forward Repurchase Contracts were excluded from the computation of adjusted diluted EPS as Coty is in the position to receive shares from the counterparties and as such their inclusion would be anti-dilutive. Accordingly, we did not reverse the impact of the fair market value (gain) for contracts with the option to settle in shares or cash of (\$93.9). For the three months ended March 31, 2023, as the Convertible Series B Preferred Stock was dilutive, an adjustment to reverse the impact of the preferred stock dividends of \$3.3 was required. For the three months ended March 31, 2022, the convertible Series B Preferred Stock was antidilutive. Accordingly, we excluded the convertible Series B Preferred Stock from the diluted shares and did not adjust the earnings for the related dividend.

^(b) See a description of adjustments under “Adjusted Operating Income for Continuing Operations.”

^(c) For the three months ended March 31, 2022, this amount reflects certain purchase price working capital adjustments related to the sale of the Wella business.

^(d) For the three months ended March 31, 2023 and 2022, the amount represents the unrealized (gain) loss recognized for the change in fair value of the investment in Wella.

^(e) For the three months ended March 31, 2023, this primarily represents the loss from equity investment in KKW. For the three months ended March 31, 2022, this primarily represents adjustments for equity loss from KKW partially offset by pension curtailment gains.

^(f) The amounts represent the after-tax impact of the non-GAAP adjustments included in net income attributable to noncontrolling interests based on the relevant noncontrolling interest percentage in the Condensed Consolidated Statements of Operations.

NINE MONTHS ENDED MARCH 31, 2023 AS COMPARED TO NINE MONTHS ENDED MARCH 31, 2022

NET REVENUES

In the nine months ended March 31, 2023, net revenues increased 2%, or \$66.4, to \$4,202.5 from \$4,136.1 in the nine months ended March 31, 2022. Excluding net revenue from the third quarter of the prior period from Russia¹, net revenues increased 2% or \$91.2 to \$4,202.5 from \$4,111.3 in the nine months ended March 31, 2022, reflecting a positive price and mix impact of 9%, partially offset by negative foreign currency exchange translation impact of 7%. The overall increase in net revenues reflects growth in our Consumer Beauty segment due to positive performance across the body care, skincare, and color cosmetics categories. Net revenues for the Prestige segment also experienced growth from the positive performance in the prestige fragrance category due to the continued success of fragrance brands such as *Burberry*, *Marc Jacobs*, *Gucci*, *Calvin Klein*, *Chloe* and *Hugo Boss*. The prestige make up category was negatively impacted by COVID-19 related to the lockdowns in China in the first half of the fiscal period. The overall increase in net revenues reflects the successful implementation of global price increases across all product categories, our product premiumization strategy, and positive overall market trends. Additionally, there was growth in travel retail sales, principally in Europe and the Americas, due to increased leisure travel in the period. There was also an increase in e-commerce sales. Additionally, foreign exchange headwinds negatively impacted net revenues significantly, primarily affecting the euro and British pound.

Our ongoing exit from Russia impacted the overall change in our reported net revenues. Considering total fiscal year-to-date net revenues from Russia in both the current and prior year periods, the net negative impact on our fiscal year-to-date reported net revenue was approximately 2% on a consolidated basis, 2% for our Prestige division, and 1% for our Consumer Beauty division.

Net Revenues by Segment

(in millions)	Nine Months Ended March 31,		Change %
	2023	2022	
NET REVENUES			
Prestige	\$ 2,620.9	\$ 2,605.1	1 %
Consumer Beauty	1,581.6	1,531.0	3 %
Total	\$ 4,202.5	\$ 4,136.1	2 %

Prestige

In the nine months ended March 31, 2023, net revenues from the Prestige segment increased 1%, or \$15.8, to \$2,620.9 from \$2,605.1 in the nine months ended March 31, 2022. Excluding net revenue from the third quarter of the prior period from Russia, net revenues from the Prestige segment increased 1% or \$31.1 to \$2,620.9 from \$2,589.8 in the nine months ended March 31, 2022, reflecting a positive price and mix impact of 10%, partially offset by negative foreign currency exchange translation impact of 7%, and a decrease in unit volume of 2%. The increase in net revenues primarily reflects:

- (i) higher net revenues due to the continued success of Prestige fragrances, such as *Burberry Hero*, *Burberry Her*, *Marc Jacobs Daisy*, *Gucci Flora*, *Calvin Klein*, *Chloe Atelier des Fleurs*, and *Hugo Boss Boss Bottled*; and
- (ii) an increase in net revenues due to positive pricing impact as a result of global price increases and in line with the overall premiumization strategy.

These increases in net revenue were partially offset by:

- (i) lower net revenues in the Prestige makeup category impacted by a decline in *Gucci* travel retail sales in the Asia Pacific region as a result of the lockdowns in China;
- (ii) lower net revenues related to *philosophy* due to less innovation, repositioning of the brand, and the discontinuation of the brand in China; and
- (iii) lower net revenues for the *Lacoste* brand in the year, which was primarily due to our market exit from Russia and supply chain constraints.

¹ Refer to the section titled *Basis of Presentation of Acquisitions, Divestitures, Terminations and Market Exit from Russia* for further details.

Consumer Beauty

In the nine months ended March 31, 2023, net revenues from the Consumer Beauty segment increased 3%, or \$50.6, to \$1,581.6 from \$1,531.0 in the nine months ended March 31, 2022. Excluding net revenue from the third quarter of the prior period from Russia, net revenues from the Consumer Beauty segment increased 4% or \$60.1 to \$1,581.6 from \$1,521.5 in the nine months ended March 31, 2022, reflecting a positive price and mix impact of 10%, partially offset by a negative foreign currency exchange translation impact of 6%. The increase in net revenues primarily reflects:

- (i) an increase in net revenues for certain cosmetics brands, such as *CoverGirl*, *Rimmel Manhattan* and *Max Factor*, due to positive category trends and brand innovation;
- (ii) an increase in net revenues from the skin and body care brands in Brazil, due to strong category momentum and market share gains, and positive pricing impact and product mix, as well as due to innovation in brands such as *Monange*; and
- (iii) an increase in net revenues due to price increases across the Consumer Beauty product portfolio.

These increases in net revenue were partially offset by:

- (i) the continued decline in net revenues for *Sally Hansen* products, resulting from the decline for demand for at-home nail care compared to the prior year where COVID-19 restrictions had resulted in fewer nail salon visits and positively impacted the nail category and the brand's net revenue in the prior year.

COST OF SALES

In the nine months ended March 31, 2023, cost of sales increased 1%, or \$15.7, to \$1,504.7 from \$1,489.0 in the nine months ended March 31, 2022. Cost of sales as a percentage of net revenues decreased to 35.8% in the nine months ended March 31, 2023 from 36.0% in the nine months ended March 31, 2022 resulting in a gross margin increase of approximately 20 basis points primarily reflecting:

- (i) approximately 180 basis points related to positive price impact across our product portfolio;
- (ii) approximately 70 basis points related to a favorable impact on variable costs due to increased manufacturing efficiencies, improvements in productivity as well as procurement and material cost optimization;
- (iii) approximately 30 basis points related to designer license fees due to favorable royalty related activity, as well as the impact of our licensed brand sales comprising a lower portion of overall net sales compared to the comparative period;
- (iv) approximately 20 basis points due to lower returns and markdown costs for the Consumer Beauty division as a result of higher sell through compared to the prior year period and lower returns volume for products in the Prestige division; and
- (v) approximately 10 basis points related to lower excess and obsolescence costs as a percentage of net revenues.

These increases were partially offset by:

- (i) approximately 250 basis points related to product mix impact due to a higher portion of consolidated sales being from the Consumer Beauty division; and
- (ii) approximately 40 basis points related to higher freight costs.

Included in the above is the negative impact of inflation on material and freight costs of approximately 180 basis points.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

In the nine months ended March 31, 2023, selling, general and administrative expenses decreased 0.4%, or \$9.1, to \$2,145.4 from \$2,154.5 in the nine months ended March 31, 2022. Selling, general and administrative expenses as a percentage of net revenues decreased to 51.1% in the nine months ended March 31, 2023 from 52.1% in the nine months ended March 31, 2022, or approximately 100 basis points. This decrease was primarily due to:

- (i) 160 basis points due to a decrease in stock-based compensation cost primarily related to a reduction in expense recognized in connection with a prior year's grant made to the CEO;
- (ii) 120 basis points due to a decrease in advertising and consumer promotional costs as a percentage of net revenue;
- (iii) 60 basis points due to a decrease in administrative costs as a percentage of net revenues primarily due to lower depreciation expense related to fully depreciated IT equipment and lower consulting fees;
- (iv) 40 basis points due to a decrease in bad debt expense as a percentage of net revenues; and

(v) 30 basis points due to a decrease in logistics costs as a percentage of net revenues.

These decreases were partially offset by the following increases:

- (i) 260 basis points due to a gain on sale of real estate was recorded in the comparative period, partially offset by an accrual reversal associated with the resolution of a contingency in the current period; and
- (ii) 60 basis points due to unfavorable transactional impact from our exposure to foreign currency exchange fluctuations.

OPERATING INCOME

In the nine months ended March 31, 2023, operating income was \$414.7 compared to income of \$318.3 in the nine months ended March 31, 2022. Operating margin as a percentage of net revenues, increased to 9.9% in the nine months ended March 31, 2023 as compared to an operating income as a percentage of net revenues of 7.7% in the nine months ended March 31, 2022. The increase in operating margin is largely driven by a decrease in stock compensation expense as a percentage of net revenues, a decrease in advertising and consumer promotional expense as a percentage of net revenues and lower fixed costs as a percentage of net revenues, partially offset by a gain on sale of real estate recognized in the comparative period

Operating Income (Loss) by Segment

(in millions)	Nine Months Ended March 31,		Change %
	2023	2022	
Operating income (loss)			
Prestige	\$ 437.3	\$ 357.5	22 %
Consumer Beauty	53.3	34.3	55 %
Corporate	(75.9)	(73.5)	(3)%
Total	\$ 414.7	\$ 318.3	30 %

Prestige

In the nine months ended March 31, 2023, operating income for Prestige was \$437.3 compared to income of \$357.5 in the nine months ended March 31, 2022. Operating margin increased to 16.7% of net revenues in the nine months ended March 31, 2023 as compared to 13.7% in the nine months ended March 31, 2022, driven primarily by a decrease in cost of goods sold as a percentage of net revenues, a decrease in fixed costs as a percentage of net revenues and a decrease in advertising and consumer promotional expense as a percentage of net revenues.

Consumer Beauty

In the nine months ended March 31, 2023, operating income for Consumer Beauty was \$53.3 compared to income of \$34.3 in the nine months ended March 31, 2022. Operating margin increased to 3.4% of net revenues in the nine months ended March 31, 2023 as compared to 2.2% in the nine months ended March 31, 2022, driven by a decrease in advertising and consumer promotional expense as a percentage of net revenues and a decrease in fixed costs as a percentage of net revenues, partially offset by an increase in cost of goods sold as a percentage of net revenues.

Corporate

Corporate primarily includes corporate expenses not directly related to our operating activities. These items are included in Corporate since we consider them to be Corporate responsibilities, and these items are not used by our management to measure the underlying performance of the segments.

In the nine months ended March 31, 2023, the operating loss for Corporate was \$75.9 compared to a loss of \$73.5 in the nine months ended March 31, 2022, as described under "Adjusted Operating Income for Coty Inc." below. The increase to the operating loss for Corporate was primarily driven by a gain on sale of real estate recognized in the comparative period, partially offset by a decrease in stock compensation expense.

Adjusted Operating Income by Segment

We believe that Adjusted Operating income by segment further enhances an investor's understanding of our performance. See "Overview—Non-GAAP Financial Measures." A reconciliation of reported Operating income to Adjusted Operating income is presented below, by segment:

(in millions)	Nine Months Ended March 31, 2023		
	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)
Operating income			
Prestige	437.3	\$ 112.7	\$ 550.0
Consumer Beauty	53.3	30.4	83.7
Corporate	(75.9)	75.9	—
Total	\$ 414.7	\$ 219.0	\$ 633.7

(in millions)	Nine Months Ended March 31, 2022		
	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)
Operating income			
Prestige	357.5	\$ 124.7	\$ 482.2
Consumer Beauty	34.3	33.9	68.2
Corporate	(73.5)	73.5	—
Total	\$ 318.3	\$ 232.1	\$ 550.4

^(a) See a reconciliation of reported operating income to adjusted operating income and a description of the adjustments under "Adjusted Operating Income for Coty Inc." below. All adjustments are reflected in Corporate, except for amortization and asset impairment charges on goodwill, regional indefinite-lived intangible assets, and finite-lived intangible assets, which are reflected in the Prestige and Consumer Beauty segments.

Adjusted Operating Income and Adjusted EBITDA for Continuing Operations

We believe that adjusted operating income further enhances an investor's understanding of our performance. See "Overview—Non-GAAP Financial Measures." A reconciliation of reported operating income to adjusted operating income is presented below:

(in millions)	Nine Months Ended March 31,		Change %
	2023	2022	
Reported operating income	414.7	318.3	30 %
% of net revenues	9.9 %	7.7 %	
Amortization expense	143.1	158.6	(10)%
Restructuring and other business realignment costs	(5.0)	9.6	<(100)%
Stock-based compensation	98.9	164.3	(40)%
Costs related to acquisition and divestiture activities	—	14.2	(100)%
Gain on sale of real estate	(1.0)	(114.6)	99 %
Gain related to market exit	(17.0)	—	N/A
Total adjustments to reported operating income	\$ 219.0	\$ 232.1	(6)%
Adjusted operating income	\$ 633.7	\$ 550.4	15 %
% of net revenues	15.1 %	13.3 %	
Adjusted depreciation	173.7	222.5	(22)%
Adjusted EBITDA	\$ 807.4	\$ 772.9	4 %
% of net revenues	19.2 %	18.7 %	

In the nine months ended March 31, 2023, adjusted operating income increased \$83.3, to \$633.7 from \$550.4 in the nine months ended March 31, 2022. Adjusted operating margin increased to 15.1% of net revenues in the nine months ended March 31, 2023 from 13.3% in the nine months ended March 31, 2022. In the nine months ended March 31, 2023, adjusted EBITDA increased \$34.5 to \$807.4 from \$772.9 in the nine months ended March 31, 2022. Adjusted EBITDA margin increased to 19.2% of net revenues in the nine months ended March 31, 2023 from 18.7% in the nine months ended March 31, 2022, primarily due to a decrease in advertising and consumer promotional costs as a percentage of net revenues and a decrease in fixed costs.

Amortization Expense

In the nine months ended March 31, 2023, amortization expense decreased to \$143.1 from \$158.6 in the nine months ended March 31, 2022. In the nine months ended March 31, 2023, amortization expense of \$112.7 and \$30.4 was reported in the Prestige and Consumer Beauty segments, respectively. In the nine months ended March 31, 2022, amortization expense of \$124.7 and \$33.9 was reported in the Prestige and Consumer Beauty segments, respectively. The decrease was primarily driven by certain license agreements and product formulations, which were fully amortized in the prior year.

Restructuring and Other Business Realignment Costs

We continue to analyze our cost structure, including opportunities to simplify and optimize operations. In connection with the four-year Turnaround plan announced on July 1, 2019 to drive substantial improvement and optimization in our business, we have and expect to continue to incur restructuring and other business realignment costs. On May 11, 2020 we announced an expansion of the Turnaround Plan to further reduce fixed costs, the Transformation Plan. We incurred \$515.9 of cash costs life-to-date as of March 31, 2023, which have been recorded in Corporate.

In the nine months ended March 31, 2023, we incurred a credit in restructuring and other business structure realignment costs of \$(5.0), as follows:

- We incurred a credit in restructuring costs of \$(5.4) primarily related to the Transformation Plan, included in the Condensed Consolidated Statements of Operations.
- We incurred business structure realignment costs of \$0.4 primarily related to our Transformation plan and certain other programs. This amount includes \$0.9 reported in Cost of sales in the Condensed Consolidated Statement of Operations and a credit of \$(0.5) reported in Selling, general and administrative expenses.

In the nine months ended March 31, 2022, we incurred restructuring and other business structure realignment costs of \$9.6 as follows:

- We incurred restructuring costs of \$1.5 primarily related to the Transformation Plan, included in the Condensed Consolidated Statements of Operations.
- We incurred business structure realignment costs of \$8.1 primarily related to our Transformation Plan and certain other programs. This amount includes \$8.4 reported in Cost of sales in the Condensed Consolidated Statement of Operations and a credit of \$(0.3) reported in Selling, general and administrative expenses.

In all reported periods, all restructuring and other business realignment costs were reported in Corporate.

Stock-based compensation

In the nine months ended March 31, 2023, stock-based compensation was \$98.9 as compared with \$164.3 in the nine months ended March 31, 2022. The decrease in stock-based compensation is primarily related to a reduction in expense recognized in connection with a prior year's grant made to the CEO.

In all reported periods, all costs related to stock-based compensation were reported in Corporate.

Acquisition and Divestiture Activities

In the nine months ended March 31, 2023, we incurred no costs related to acquisition and divestiture activities.

In the nine months ended March 31, 2022, we incurred \$14.2 of cost relating to acquisition and divestiture activities. These costs were primarily associated with the Wella Transaction.

In all reported periods, all costs related to acquisition and divestiture activities were reported in Corporate.

Gain on Sale of Real Estate

In the nine months ended March 31, 2023 we recognized a gain of \$1.0 related to sale of real estate.

In the nine months ended March 31, 2022, we recognized a gain of \$114.6 related to sale of real estate.

In all reported periods, all gains related to sale of real estate were reported in Corporate.

Gain Related to Market Exit

In the nine months ended March 31, 2023, we recognized a gain of \$17.0 related to our market exit from Russia which are included in Selling, general and administrative expenses and Cost of sales in the Consolidated Statements of Operations.

In the nine months ended March 31, 2022, we did not incur any market exit costs.

Adjusted depreciation expense

In the nine months ended March 31, 2023, adjusted depreciation expense of \$82.9 and \$90.8 was reported in the Prestige and Consumer Beauty segments, respectively. In the nine months ended March 31, 2022, adjusted depreciation expense of \$107.7 and \$114.8 was reported in the Prestige and Consumer Beauty segments, respectively.

INTEREST EXPENSE, NET

In the nine months ended March 31, 2023, net interest expense was \$185.7 as compared with \$183.6 in the nine months ended March 31, 2022. This increase is primarily due to the impact of a higher average interest rate despite lower debt balances in the current period.

OTHER INCOME

In the nine months ended March 31, 2023, other income was \$397.0 as compared to other income of \$572.9 in the nine months ended March 31, 2022. This decrease is primarily due to a less favorable fair value adjustment related to our investment in the Wella Company compared to the prior period, partially offset by an increase in forward repurchase contract gains.

INCOME TAXES

The effective income tax rate for the nine months ended March 31, 2023 and 2022 was 22.1% and 23.2%, respectively. The change in the effective tax rate for the nine months ended March 31, 2023, as compared to the prior period is primarily due to foreign exchange loss recognized on the current year repatriation of funds that were previously taxed as part of the Tax Cuts and Jobs Act of 2017.

The effective income tax rates vary from the U.S. federal statutory rate of 21% due to the effect of: (i) jurisdictions with different statutory rates, (ii) adjustments to our unrecognized tax benefits and accrued interest; (iii) non-deductible expenses, (iv) audit settlements and (v) valuation allowance changes. Our effective tax rate could fluctuate significantly and could be adversely affected to the extent earnings are lower than anticipated in countries that have lower statutory rates and higher than anticipated in countries that have higher statutory rates.

Reconciliation of Reported Income Before Income Taxes to Adjusted Income Before Income Taxes and Effective Tax Rates:

(in millions)	Nine Months Ended March 31, 2023			Nine Months Ended March 31, 2022		
	Income Before Income Taxes	Provision for Income Taxes	Effective Tax Rate	Income Before Income Taxes	Provision for Income Taxes	Effective Tax Rate
Reported income before income taxes	\$ 626.0	\$ 138.3	22.1 %	\$ 707.6	\$ 164.5	23.2 %
Other adjustments to reported operating income ^(a)	219.0			232.1		
Change in fair value of investment in Wella Business ^(c)	(210.0)			(579.0)		
Other adjustments ^(d)	0.6			(2.5)		
Total Adjustments ^(b)	9.6	17.2		(349.4)	(91.0)	
Adjusted income before income taxes	\$ 635.6	\$ 155.5	24.5 %	\$ 358.2	\$ 73.5	20.5 %

^(a) See a description of adjustments under "Adjusted Operating Income for Continuing Operations."

^(b) The tax effects of each of the items included in adjusted income are calculated in a manner that results in a corresponding income tax expense/provision for adjusted income. In preparing the calculation, each adjustment to reported income is first analyzed to determine if the adjustment has an income tax consequence. The provision for taxes is then calculated based on the jurisdiction in which the adjusted items are incurred, multiplied by the respective statutory rates and offset by the increase or reversal of any valuation allowances commensurate with the non-GAAP measure of profitability.

^(c) The amount represents the realized and unrealized (gain) loss recognized for the change in fair value of the investment in Wella.

^(d) For the nine months ended March 31, 2023, this primarily represents adjustments for equity loss from KKW. For the nine months ended March 31, 2022, this primarily represents a net gain on the exchange of Series B Preferred Stock closed on October 20, 2021.

The adjusted effective tax rate was 24.5% for the nine months ended March 31, 2023 compared to 20.5% for the nine months ended March 31, 2022. The differences were primarily due to a benefit of \$18.8 in the prior period recognized on the revaluation of the Company's deferred tax assets due to a tax rate increase enacted in the Netherlands.

NET INCOME ATTRIBUTABLE TO COTY INC.

Net income attributable to Coty Inc. was \$475.3 in the nine months ended March 31, 2023, as compared to net income of \$541.0 in the nine months ended March 31, 2022. This decrease in net income was primarily driven by a less favorable fair value adjustment related to our investment in the Wella Company compared to the prior period, partially offset by higher operating income in the current period.

We believe that adjusted net income attributable to Coty Inc. provides an enhanced understanding of our performance. See "Overview—Non-GAAP Financial Measures."

(in millions)	Nine Months Ended March 31,		Change %
	2023	2022	
Net income from Coty Inc. net of noncontrolling interests	475.3	541.0	(12)%
Convertible Series B Preferred Stock dividends ^(a)	(9.9)	(195.0)	95 %
Reported net income attributable to Coty Inc.	465.4	346.0	35 %
% of net revenues	11.1 %	8.4 %	
Adjustments to reported operating income ^(b)	219.0	232.1	(6)%
Adjustments to Loss on Sale of Business ^(c)	—	(6.1)	100 %
Change in fair value of investment in Wella Company ^(d)	(210.0)	(579.0)	64 %
Adjustment to other expense ^(e)	0.6	(2.5)	>100%
Adjustments to noncontrolling interests ^(d)	(5.1)	(5.3)	4 %
Change in tax provision due to adjustments to reported net income attributable to Coty Inc.	(17.2)	92.6	<(100)%
Adjustment for deemed Series B Preferred Stock dividends related to the First and Second Exchanges ^{(a)(g)}	—	160.0	(100)%
Adjusted net income attributable to Coty Inc.	452.7	237.8	90 %
% of net revenues	10.8 %	5.7 %	
Per Share Data			
Adjusted weighted-average common shares			
Basic	848.1	814.8	
Diluted ^(a)	885.8	827.5	
Adjusted net income attributable to Coty Inc. per common share			
Basic	\$ 0.54	\$ 0.29	
Diluted ^(a)	\$ 0.52	\$ 0.29	

^(a) Adjusted Diluted EPS is adjusted by the effect of dilutive securities. For the nine months ended March 31, 2023, shares for the Forward Repurchase Contracts were excluded from the computation of adjusted diluted EPS as Coty is in the position to receive shares from the counterparties and as such their inclusion would be anti-dilutive. Accordingly, we did not reverse the impact of the fair market value (gain) for contracts with the option to settle in shares or cash of (\$100.7). For the nine months ended March 31, 2023, as the Convertible Series B Preferred Stock was dilutive, an adjustment to reverse the impact of the preferred stock dividends of \$9.9 was required. For the nine months ended March 31, 2022, the convertible Series B Preferred Stock was antidilutive. Accordingly, we excluded the convertible Series B Preferred Stock from the diluted shares and did not adjust the earnings for the related dividend.

^(b) See a description of adjustments under "Adjusted Operating Income for Continuing Operations"

^(c) For the nine months ended March 31, 2022, this amount reflects certain working capital adjustments related to the sale of the Wella Business.

⁽⁴⁾ The amount represents the realized and unrealized (gain) loss recognized for the change in fair value of the investment in Wella.

⁽⁵⁾ For the nine months ended March 31, 2023, this primarily represents the loss from equity investment in KKW. For the nine months ended March 31, 2022, this primarily represents a net gain on the exchange of Series B Preferred Stock closed on October 20, 2021.

⁽⁶⁾ The amounts represent the after-tax impact of the non-GAAP adjustments included in Net income (loss) attributable to noncontrolling interests based on the relevant noncontrolling interest percentage in the Condensed Consolidated Statements of Operations.

⁽⁷⁾ For the nine months ended March 31, 2022, this adjustment represents the deemed dividend from the Second Exchange that closed on November 30, 2021 and the deemed dividend from the First Exchange that closed on October 20, 2021 (as disclosed and defined in Note 13—Equity Investments in our Annual Report on Form 10-K for fiscal 2022).

FINANCIAL CONDITION

LIQUIDITY AND CAPITAL RESOURCES

Overview

Our primary sources of funds include cash expected to be generated from operations, borrowings from issuance of debt and lines of credit provided by banks and lenders in the U.S. and abroad.

Our cash flows are subject to seasonal variation throughout the year, including demands on cash made during our first fiscal quarter in anticipation of higher global sales during the second fiscal quarter and strong cash generation in the second fiscal quarter as a result of increased demand by retailers associated with the holiday season.

Our principal uses of cash are to fund planned operating expenditures, capital expenditures, business structure realignment expenditures, interest payments, acquisitions, dividends, share repurchases and any principal payments on debt. Working capital movements are influenced by the sourcing of materials related to the production of products. Cash and working capital management initiatives, including the phasing of vendor payments and factoring of trade receivables from time-to-time, may also impact the timing and amount of our operating cash flows.

We remain focused on deleveraging our balance sheet using cash flows generated from our operations. We continue to take steps to permanently reduce our debt, in order to reduce interest costs and improve our long term profitability and cash flows. In addition, our 25.9% investment in Wella gives us the opportunity for further permanent debt reductions, when our equity position is divested.

Variable rate debt accounts for 34% of our total debt outstanding as of March 31, 2023. We incurred higher average variable interest rates compared to the same period in the prior year, and we expect this trend to continue into the fourth quarter. Higher long-term interest rates are expected to increase interest expense on our variable-rate outstanding debt. We use derivative instruments, such as interest rate swap contracts to reduce cash flow fluctuations associated with changes in variable interest rates. During the third quarter, our variable interest rate debt interest rate swap contracts expired, creating an exposure to higher variable interest rates. We have entered into new interest rate hedging arrangements, to replace a portion of the expired interest rate swap contracts, that will take effect in the fourth quarter.

We continue to wind down the operations of our Russian subsidiary. We anticipate incurring up to \$7.5 of additional costs through completion of the wind down, and future net cash costs of \$15.0 to \$25.0, which will be funded by our Russian subsidiary. The amount of future costs, including cash costs, will be subject to various factors, such as additional government regulation and the resolution of legal contingencies. We have substantially completed our commercial activities in Russia. However, we anticipate that the process related to the liquidation of the Russian legal entity will take an extended period of time.

We continue to experience inflationary pressures in most markets resulting in higher commodity and supply chain costs, including material, freight, and energy costs, as well as higher costs for services and labor. Further, inflationary trends in certain markets and global supply chain challenges, including component shortages, may negatively affect our future sales and operating performance. Supply chain constraints may impact the availability of raw materials used to manufacture our products which may negatively impact our ability to meet customer demands, thereby impacting our cash flows and profitability.

Debt

During the second quarter, we completed cash tender offers and redeemed \$77.0 of our 2026 Dollar Notes and €69.7 million (approximately \$72.2) of our 2026 Euro Notes. In addition, we early terminated a fragrance license and a portion of the termination payment totaling €52.5 million (approximately \$55.6) was advanced to us. In accordance with the requirements of our debt agreements, we used a portion of the advance proceeds, totaling \$35.8, to pay down outstanding principal balances under the 2018 Coty Term B Facility. On March 7, 2023, we amended the 2018 Coty Credit Agreement to effectuate the transition of the underlying variable interest rate from LIBOR to the Secured Overnight Financing Rate ("SOFR"). Interest rates applicable to our debt agreements were not impacted by the transition to SOFR. See Note 11—Debt in

the notes to our Condensed Consolidated Financial Statements for additional information on our debt arrangements and prior period credit agreements, as well as definitions of capitalized terms.

Factoring of Receivables

From time to time, we supplement the timing of our cash flows through the factoring of trade receivables. In this regard, we have entered into factoring arrangements with financial institutions.

The net amount utilized under the factoring facilities was \$197.0 and \$179.3 as of March 31, 2023 and June 30, 2022, respectively. The aggregate amount of trade receivable invoices factored on a worldwide basis amounted to \$1,192.4 and \$813.1 during the nine months ended March 31, 2023 and 2022, respectively.

Cash Flows

Condensed Consolidated Statements of Cash Flows Data: (in millions)	Nine Months Ended March 31,	
	2023	2022
Net cash provided by operating activities	\$ 520.8	\$ 759.5
Net cash (used in) provided by investing activities	(97.7)	281.4
Net cash used in financing activities	(397.6)	(642.7)

Net cash provided by operating activities

Net cash provided by operating activities was \$520.8 and \$759.5 for the nine months ended March 31, 2023 and 2022, respectively. The decrease in cash provided by operating activities of \$238.7 was primarily driven by net outflows in the current year from changes throughout working capital accounts partially offset by an increase in cash related net income year over year. Changes in Accrued expenses and other current liabilities contributed to higher outflows primarily related to customer related accruals, restructuring, and compensation costs. Changes in Inventories year over year reflect the current year impact of increased safety stock for constrained materials and products compared to prior year decreases in inventory levels from impacts of COVID recovery and inventory optimization efforts. Lower outflows from changes in Trade receivables partially offset higher year over year outflows from working capital due to continued improvements in collections. Lower costs as a percentage of net revenue contributed to the higher cash related net income.

Net cash (used in) provided by investing activities

Net cash (used in) provided by investing activities was \$(97.7) and \$281.4 for the nine months ended March 31, 2023 and 2022, respectively. The decrease in investing cash flows of \$379.1 was mainly attributable to the prior year cash received from return of capital under Coty's equity investment which did not reoccur during the nine months ended March 31, 2023. Additionally, the prior year included higher proceeds from the sales of long-lived assets and the positive impact from the receipt of contingent proceeds related to the Wella Business tax credits.

Net cash used in financing activities

Net cash used in financing activities during the nine months ended March 31, 2023 and 2022 was \$397.6 and \$642.7, respectively. The decrease in cash used in financing activities of \$245.1 was driven mainly by higher cash outflows in the prior year for net paydowns of the Company's revolving credit facility and other long term debt balances as well, as higher payments of deferred financing fees associated with debt activity, and higher dividend payments on Series B Preferred Stock. Higher cash payments in the current year for realized losses on the settlement of foreign currency contracts only partially offset the lower current year payments.

Dividends

On April 29, 2020, our Board of Directors suspended the payment of dividends, in keeping with our 2018 Coty Credit Agreement, as amended. As we focus on preserving cash, we expect to suspend the payment of dividends until we reach a Net debt to Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") of 2x. Any determination to pay dividends in the future will be at the discretion of our Board of Directors.

Dividends on the Convertible Series B Preferred Stock are payable in cash, or by increasing the amount of accrued dividends on Convertible Series B Preferred Stock, or any combination thereof, at the sole discretion of the Company. We started paying dividends on the Convertible Series B Preferred Stock in cash for the period ended June 30, 2021, and we expect to continue to pay such dividends in cash on a quarterly basis, subject to the declaration thereof by our Board of Directors. The terms of the Convertible Series B Preferred Stock restrict our ability to declare cash dividends on our common stock until all accrued dividends on the Convertible Series B Preferred Stock have been declared and paid in cash.

For additional information on our dividends, see Note 15—Equity and Convertible Preferred Stock in the notes to our Condensed Consolidated Financial Statements.

Treasury Stock - Share Repurchase Program

For information on our Share Repurchase Program, see Note 15—Equity and Convertible Preferred Stock in the notes to our Condensed Consolidated Financial Statements.

Commitments and Contingencies

See Note 18—Mandatorily Redeemable Financial Interests and Redeemable Noncontrolling Interests in the notes to our Condensed Consolidated Financial Statements for information on our United Arab Emirates subsidiary and subsidiary in the Middle East.

Legal Contingencies

For information on our litigation matters and Brazilian tax assessments, see Note 19—Commitments and Contingencies in the notes to our Condensed Consolidated Financial Statements. In relation to the appeal of our Brazilian tax assessments, we have entered into surety bonds of R\$423.8 million (approximately \$83.2) as of March 31, 2023.

Off-Balance Sheet Arrangements

We had undrawn letters of credit of \$11.8 and \$14.3 and bank guarantees of \$16.0 and \$17.2 as of March 31, 2023 and June 30, 2022, respectively.

Contractual Obligations

Our principal contractual obligations and commitments as of June 30, 2022 are summarized in Item 7 - “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources - Contractual Obligations and Commitments,” of our Fiscal 2022 Form 10-K. For the nine months ended March 31, 2023, there have been no material changes in our contractual obligations outside the ordinary course of business.

Critical Accounting Policies

We believe that the critical accounting policies listed below involve our more significant judgments, assumptions and estimates and, therefore, could have the greatest potential impact on our Condensed Consolidated Financial Statements:

- Revenue Recognition;
- Equity Investments;
- Goodwill, Other Intangible Assets and Long-Lived Assets;
- Business Combinations;
- Inventory; and
- Income Taxes.

As of March 31, 2023, there have been no material changes to the items disclosed as critical accounting policies and estimates in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II—Item 7 of our Fiscal 2022 Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

See Note 14—Derivative Instruments for updates to our foreign currency risk management and interest rate risk management. There have been no material changes in market risk from the information provided in Item 7A. Quantitative and Qualitative Disclosures About Market Risk of our Fiscal 2022 Form 10-K.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain “disclosure controls and procedures,” as defined in Rules 13a-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits 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 a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Our management, with the participation of our Chief Executive Officer (the “CEO”) and our Chief Financial Officer (“CFO”), evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2023. Based on the evaluation of our disclosure controls and procedures as of March 31, 2023, our CEO and CFO concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in management’s evaluation pursuant to Rules 13a-15(f) of the Exchange Act during the third fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our CEO and CFO, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving our objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors 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. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls is also 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; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Part II. OTHER INFORMATION

Item 1. Legal Proceedings.

For information on our legal matters, see Note 19—Commitments and Contingencies in the notes to our Condensed Consolidated Financial Statements.

Item 1A. Risk Factors.

We have disclosed information about the risk factors that could adversely affect our business in Part I, Item 1A under the heading “Risk Factors” in our Annual Report on Form 10-K for fiscal 2022.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

No shares of our Class A Common Stock were repurchased during the fiscal quarter ended March 31, 2023.

Item 6. Exhibits, Financial Statement Schedules.

The exhibits listed below are filed as part of this Quarterly Report on Form 10-Q:

Exhibit Number	Description
10.1	Amendment No. 5 to Amended and Restated Credit Agreement, dated March 7, 2023, by and among Coty Inc., Coty B.V., the lenders from time to time party thereto and JPMorgan Chase Bank, N.A. as administrative agent.
31.1	Certification of Chief Executive Officer, pursuant to Rule 13a-14(a).
31.2	Certification of Chief Financial Officer, pursuant to Rule 13a-14(a).
32.1	Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350.
32.2	Certification of Chief Financial Officer, pursuant to 18 U.S.C. Section 1350.
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101).

SIGNATURES

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

Date: May 9, 2023

By: /s/Sue Nabi
Name: Sue Nabi
Title: Chief Executive Officer
(Principal Executive Officer)

/s/Laurent Mercier
Name: Laurent Mercier
Title: Chief Financial Officer
(Principal Financial Officer)

AMENDMENT NO. 5 TO AMENDED AND RESTATED CREDIT AGREEMENT

AMENDMENT NO. 5, dated as of March 7, 2023 (this "**Amendment**"), to the Amended and Restated Credit Agreement dated as of April 5, 2018 (as amended by that certain Amendment No. 1 to the Credit Agreement, dated as of June 27, 2019, as amended by that certain Amendment No. 2 to the Credit Agreement, dated as of April 29, 2020, as amended by that certain Amendment No. 3 to the Credit Agreement (Incremental Assumption Agreement), dated as of June 4, 2021, as amended by that certain Amendment No. 4 to the Credit Agreement (Refinancing Amendment), dated as of November 30, 2021, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**" and, as amended by this Amendment, the "**Amended Credit Agreement**"), by and among Coty Inc., a Delaware corporation (the "**Parent Borrower**"), Coty B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands and registered with the trade register of the Chamber of Commerce under number 37069236 (the "**Dutch Borrower**" and, together with the Parent Borrower, the "**Borrowers**"), the lenders from time to time party thereto and JPMorgan Chase Bank, N.A. as administrative agent (in such capacity, the "**Administrative Agent**") (capitalized terms used but not otherwise defined herein having the meanings provided in the Credit Agreement).

WHEREAS, the Borrowers desire to amend the Credit Agreement on the terms set forth herein;

WHEREAS, the Credit Agreement provides that an Early Opt-in Election with respect to the LIBO Rate occurs upon (i) notification by the Administrative Agent to (or the request by the Parent Borrower to the Administrative Agent to notify) each of the Revolving Lenders that at least five currently outstanding Dollar denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review) and (ii) a joint election by the Administrative Agent and the Parent Borrower to trigger a fallback from the LIBO Rate and provision, as applicable, by the Administrative Agent of written notice of such election to the Parent Borrower and the Revolving Lenders;

WHEREAS, on February 28, 2023, the Administrative Agent notified the Revolving Lenders that at least five currently outstanding Dollar denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review) and that the Administrative Agent and the Parent Borrower have jointly elected to trigger a fallback from LIBO Rate to Term SOFR;

WHEREAS, with respect to the Term Loan Facility and pursuant to Section 2.14(II) of the Credit Agreement, if a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Rate shall no longer be used for determining interest rates for loans, then the Administrative Agent and the Borrowers shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and may amend the Credit Agreement to reflect such alternate rate of interest and such other related changes as may be applicable;

WHEREAS, a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Rate shall no longer be used for

determining interest rates for loans and the Administrative Agent and the Borrowers have established an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time;

WHEREAS, pursuant to Sections 2.14(l)(b) and (II) of the Credit Agreement, any amendment to adopt a Benchmark Replacement or alternate rate of interest, as applicable, together with any Benchmark Replacement Conforming Changes or other related changes as may be applicable, shall become effective at 5:00 p.m. (New York time) on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment (the "Amendment Notice") to all Required Revolving Lenders, Required Term Lenders and the Borrowers unless, prior to such time, Lenders comprising the Required Revolving Lenders and Required Term Lenders have delivered to the Administrative Agent written notice that such Required Lenders do not accept such amendment (it being understood that the Lenders shall be entitled to object only to the Benchmark Replacement Adjustment contained herein);

WHEREAS, the Administrative Agent posted the Amendment Notice to the Lenders on February 28, 2023 and as of March 7, 2023, had not received a written notice of objection from Lenders comprising the Required Revolving Lenders or the Required Term Lenders to this Amendment; and

WHEREAS, the Administrative Agent and the Borrowers wish to amend the Credit Agreement to establish a Benchmark Replacement and alternate rate of interest, as applicable, and Benchmark Replacement Conforming Changes and other related changes as may be applicable, as set forth herein.

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

1. Defined Terms. Capitalized terms used herein but not otherwise defined herein shall have the meanings provided to such terms in the Credit Agreement as amended by this Amendment.
 2. Amendments. Subject to the satisfaction (or waiver) of the conditions precedent set forth in Section 3 of this Amendment, effective as of the Amendment No. 5 Effective Date, the Credit Agreement shall be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the document attached as Exhibit A hereto.
 3. Conditions Precedent. This Amendment and the amendments attached as Exhibit A hereto shall become effective at 5:00 p.m. (New York City Time) (5) Business Days after the Administrative Agent shall have posted the Amendment Notice (the "Amendment No. 5 Effective Date") if the following conditions shall have been satisfied: (a) this Amendment is executed by each of the Parent Borrower, the Dutch Borrower and the Administrative Agent and (b) the Administrative Agent shall not have received, by such time, written notice of objection to the Benchmark Replacement Adjustment contained in this Amendment from Lenders comprising the Required Revolving Lenders.
 4. Acknowledgments. Each Borrower and the Administrative Agent acknowledge that this Amendment is (i) reasonably acceptable to the Borrowers and the Administrative Agent and (ii) made in a manner that is intended (A) to be treated as a "covered modification" under Final United States Treasury Regulations Section 1.1001-6 (or any successor United States Treasury Regulations or other official Internal Revenue Service guidance promulgated that supersedes such Final United States Treasury Regulations) and (B) not to cause a "significant modification" under Final United States Treasury Regulations Section 1.1001-3 (or any successor United States
-

Treasury Regulations or other official Internal Revenue Service guidance promulgated that supersedes such Final United States Treasury Regulations).

5. No Other Changes. Except as modified hereby, all of the terms and provisions of the Loan Documents shall remain in full force and effect. This Amendment shall not constitute a novation of the Credit Agreement.
 6. Counterparts; Delivery. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart to this Amendment by facsimile transmission (or other electronic transmission pursuant to procedures approved by the Administrative Agent) shall be as effective as delivery of a manually signed original. The words "delivery," "execute," "execution," "signed," "signature," and words of like import in this Amendment or any other document executed in connection herewith shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, 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, physical delivery thereof 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.
 7. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.
 8. Severability. Any provision of this Amendment that 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.
 9. Jurisdiction; Waiver of Jury Trial. The jurisdiction and waiver of right to trial by jury provisions in Sections 10.09 and 10.10 of the Credit Agreement are incorporated herein by reference *mutatis mutandis*.
 10. Reference to and Effect on the Credit Agreement and the Other Loan Documents. Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of any Loan Party, any Lender or the Administrative Agent under the Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any Loan Party to a future consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances. On and after the Amendment No. 5 Effective Date, each reference in the Credit Agreement to "this Agreement", "hereof", "hereunder", "herein" and "hereby" and each other similar reference, and each reference in any other Loan Document to "the Credit Agreement", "thereof", "thereunder", "therein" or "thereby" or any other similar reference to the Credit Agreement shall, from the Amendment No. 5 Effective Date, refer to the Credit Agreement as amended hereby. This Amendment shall be deemed to be a "Loan Document" (or other analogous or similar defined term) for purposes of the Credit Agreement and the other Loan Documents and the provisions of this Amendment are deemed incorporated into the Credit Agreement as if fully set forth therein.
-

11. Conversion to SOFR Loans. Notwithstanding anything to the contrary contained herein or in any other Loan Document, (i) all Loans outstanding immediately prior to the effectiveness of this Amendment No. 5 that are Eurocurrency Rate Loans denominated in Dollars (as defined in the Credit Agreement immediately prior to the effectiveness of this Amendment No. 5, the “Existing LIBOR Loans”) shall continue to accrue interest based on the Eurocurrency Rate (as defined in the Credit Agreement immediately prior to the effectiveness of this Amendment No. 5), plus the Applicable Rate (as defined in the Credit Agreement after giving effect to this Amendment No. 5) applicable to “Term Benchmark Loans”, and their applicable existing Interest Periods (as defined in the Credit Agreement immediately prior to the effectiveness of this Amendment No. 5), until the last day of the Interest Period applicable to each such Existing LIBOR Loan (provided, that in no event shall an Existing LIBOR Loan be permitted to be continued as a Eurocurrency Rate Loan after the termination or expiration of its applicable Interest Period), and thereafter, all Existing LIBOR Loans shall either be Term SOFR Loans or Alternate Base Rate Loans as determined in accordance with the Credit Agreement as amended by this Amendment No. 5, (ii) any Interest Election Request delivered prior to the date hereof with respect to any Existing LIBOR Loans shall be deemed to be an Interest Election Request with respect to Term SOFR Loans (it being understood, that with respect to the Existing LIBOR Loans whose Interest Period expires on March 8, 2023 shall become Term SOFR Loans with an Interest Period of 1 month on March 8, 2023 (unless the Parent Borrower elects otherwise in accordance with the terms of the Amended Credit Agreement)) and (iii) subject to any express limitations set forth in the immediately preceding clause (i), the terms of the Credit Agreement as in effect immediately prior to the effectiveness of this Amendment No. 5 in respect of the administration of Eurocurrency Rate Loans (solely with respect to the Existing LIBOR Loans) shall remain in effect from and after the date hereof until the last day of the Interest Period applicable to each such Existing LIBOR Loan, in each case, solely for purposes of administering the Existing LIBOR Loans (including, without limitation, with respect to the payment of interest accrued thereon and determination of breakage fees).

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Amendment to be duly executed and delivered as of the date first written above.

Coty Inc., as the Parent Borrower

By: /s/ Hemant Gandhi
Hemant Gandhi
SVP Treasurer

Coty B.V., as the Dutch Borrower

By: /s/Yannick Gehin
Yannick Gehin
Senior Treasury Director

JPMorgan Chase Bank, N.A., as Administrative Agent

By: /s/Jeffrey C. Miller
Jeffrey C. Miller
Managing Director

[Signature Page to Amendment No. 5 to Credit Agreement]

Exhibit A

Amendments to Credit Agreement [attached]

CONFORMED CREDIT AGREEMENT
as amended on June 27, 2019, April 29, 2020, June 4, 2021, November 30, 2021 and March 7, 2023

AMENDED AND RESTATED CREDIT AGREEMENT

dated as of April 5, 2018,

among

COTY INC.,
as the Parent Borrower

COTY B.V.,
as a Borrower

The Other Borrowers Party Hereto From Time to Time

The Lenders Party Hereto

and

JPMORGAN CHASE BANK, N.A.,
as the Administrative Agent,

JPMORGAN CHASE BANK, N.A.,
as the Collateral Agent,

J.P. MORGAN SECURITIES LLC,
as Joint Lead Arranger and Joint Bookrunner,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED and
MORGAN STANLEY SENIOR FUNDING, INC.,
as Joint Lead Arrangers, Joint Bookrunners and Syndication Agents,

BNP PARIBAS and BNP PARIBAS SECURITIES CORP.,
CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
DEUTSCHE BANK SECURITIES INC.,
HSBC BANK USA, NATIONAL ASSOCIATION and HSBC SECURITIES (USA) INC.,
UNICREDIT BANK AG, NEW YORK BRANCH,
ING BANK N.V., DUBLIN BRANCH,
MIZUHO BANK, LTD. and
ROYAL BANK OF CANADA
as Joint Lead Arrangers, Joint Bookrunners and Documentation Agents,

BANCO BILBAO VIZCAYA ARGENTARIA, S.A. NEW YORK BRANCH,
THE BANK OF NOVA SCOTIA,
INTESA SANPAOLO S.P.A. NEW YORK BRANCH,
SUMITOMO MITSUI BANKING CORPORATION,
CITIBANK, N.A.,
LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE
TD SECURITIES (USA), LLC,
BANK OF MONTREAL and
FIFTH THIRD BANK
as Documentation Agents

TABLE OF CONTENTS

<u>Article I Definitions</u>	2
<u>Section 1.01 Defined Terms</u>	2
<u>Section 1.02 Classification of Loans and Borrowings</u>	65
<u>Section 1.03 Terms Generally</u>	66
<u>Section 1.04 Accounting Terms; GAAP</u>	68
<u>Section 1.05 Business Days; Payments</u>	69
<u>Section 1.06 Exchange Rates; Currency Equivalents</u>	69
<u>Section 1.07 Cashless Rollovers</u>	71
<u>Section 1.08 Pro Forma Calculations</u>	71
<u>Section 1.09 Restricted Lenders</u>	73
<u>Section 1.10 Interest Rates</u>	73
<u>Article II The Credits</u>	74
<u>Section 2.01 Commitments</u>	74
<u>Section 2.02 Loans and Borrowings</u>	74
<u>Section 2.03 Requests for Borrowings</u>	75
<u>Section 2.04 Swingline Loans</u>	76
<u>Section 2.05 Letters of Credit</u>	77
<u>Section 2.06 Funding of Borrowings</u>	83
<u>Section 2.07 Interest Elections</u>	85
<u>Section 2.08 Termination and Reduction of Commitments</u>	87
<u>Section 2.09 Repayment of Loans; Evidence of Debt</u>	87
<u>Section 2.10 Amortization of Term Loans</u>	89
<u>Section 2.11 Prepayment of Loans</u>	90
<u>Section 2.12 Fees</u>	94
<u>Section 2.13 Interest</u>	95
<u>Section 2.14 Alternate Rate of Interest</u>	96
<u>Section 2.15 Increased Costs</u>	100
<u>Section 2.16 Break Funding Payments</u>	102
<u>Section 2.17 Taxes</u>	102
<u>Section 2.18 Payments Generally; Pro Rata Treatment; Sharing of Payments; Proceeds of Collateral</u>	106
<u>Section 2.19 Mitigation Obligations; Replacement of Lenders</u>	109
<u>Section 2.20 Incremental Facilities</u>	110
<u>Section 2.21 Defaulting Lenders</u>	113
<u>Section 2.22 Specified Refinancing Debt</u>	115
<u>Section 2.23 [Reserved]</u>	118
<u>Section 2.24 Extension of Term Loans; Extension of Revolving Loans</u>	118
<u>Article III Representations and Warranties</u>	121
<u>Section 3.01 Organization; Powers</u>	122
<u>Section 3.02 Authorization; Enforceability</u>	122
<u>Section 3.03 Governmental Approvals; No Conflicts</u>	122

<u>Section 3.04</u>	<u>Financial Condition; Projections; No Material Adverse Effect</u>	123
<u>Section 3.05</u>	<u>Properties</u>	123
<u>Section 3.06</u>	<u>Litigation and Environmental Matters</u>	124
<u>Section 3.07</u>	<u>Compliance with Laws</u>	124
<u>Section 3.08</u>	<u>Investment Company Act Status</u>	124
<u>Section 3.09</u>	<u>Taxes</u>	124
<u>Section 3.10</u>	<u>ERISA</u>	124
<u>Section 3.11</u>	<u>Disclosure</u>	125
<u>Section 3.12</u>	<u>Subsidiaries</u>	125
<u>Section 3.13</u>	<u>Labor Matters</u>	125
<u>Section 3.14</u>	<u>Solvency</u>	125
<u>Section 3.15</u>	<u>Margin Securities</u>	126
<u>Section 3.16</u>	<u>Security Interest in Collateral</u>	126
<u>Section 3.17</u>	<u>Anti-Corruption Laws and Sanctions</u>	126
<u>Section 3.18</u>	<u>Junior Indebtedness</u>	127
<u>Section 3.19</u>	<u>EEA Financial Institutions. No Loan Party is an EEA Financial Institution.</u>	127
	<u>Article IV Conditions</u>	127
<u>Section 4.01</u>	<u>Restatement Effective Date</u>	127
<u>Section 4.02</u>	<u>Each Credit Event</u>	129
	<u>Article V Affirmative Covenants</u>	130
<u>Section 5.01</u>	<u>Financial Statements and Other Information</u>	130
<u>Section 5.02</u>	<u>Notices of Material Events</u>	131
<u>Section 5.03</u>	<u>Existence; Conduct of Business</u>	132
<u>Section 5.04</u>	<u>Payment of Taxes</u>	132
<u>Section 5.05</u>	<u>Maintenance of Properties</u>	132
<u>Section 5.06</u>	<u>Insurance</u>	133
<u>Section 5.07</u>	<u>Books and Records; Inspection and Audit Rights</u>	133
<u>Section 5.08</u>	<u>Compliance with Laws</u>	134
<u>Section 5.09</u>	<u>Environmental Laws</u>	134
<u>Section 5.10</u>	<u>Collateral Matters; Guaranty</u>	134
<u>Section 5.11</u>	<u>Maintenance of Ratings</u>	135
<u>Section 5.12</u>	<u>Use of Proceeds</u>	136
<u>Section 5.13</u>	<u>Designation of Subsidiaries</u>	136
<u>Section 5.14</u>	<u>Anti-Corruption Laws; Sanctions</u>	137
<u>Section 5.15</u>	<u>Further Assurances and Post-Closing Covenant</u>	137
	<u>Article VI Negative Covenants</u>	137
<u>Section 6.01</u>	<u>Indebtedness</u>	137
<u>Section 6.02</u>	<u>Liens</u>	143
<u>Section 6.03</u>	<u>Fundamental Changes</u>	149
<u>Section 6.04</u>	<u>Investments, Loans, Advances, Guarantees and Acquisitions</u>	150
<u>Section 6.05</u>	<u>Asset Sales</u>	154
<u>Section 6.06</u>	<u>Swap Agreements</u>	157

<u>Section 6.07</u>	<u>Restricted Payments; Certain Payments of Indebtedness</u>	158
<u>Section 6.08</u>	<u>Transactions with Affiliates</u>	161
<u>Section 6.09</u>	<u>Restrictive Agreements</u>	163
<u>Section 6.10</u>	<u>Amendment of Material Debt Documents</u>	165
<u>Section 6.11</u>	<u>Change in Fiscal Year</u>	166
<u>Section 6.12</u>	<u>Use of Proceeds</u>	166
<u>Article VII Financial Covenant</u>		166
<u>Section 7.01</u>	<u>Leverage Ratio</u>	166
<u>Article VIII Events of Default</u>		169
<u>Section 8.01</u>	<u>Events of Default; Remedies</u>	169
<u>Section 8.02</u>	<u>Borrowers' Right to Cure</u>	173
<u>Article IX The Agents</u>		174
<u>Section 9.01</u>	<u>Appointment</u>	174
<u>Section 9.02</u>	<u>Rights as a Lender</u>	174
<u>Section 9.03</u>	<u>Limitation of Duties and Immunities</u>	174
<u>Section 9.04</u>	<u>Reliance on Third Parties; Limitation on Responsibility</u>	175
<u>Section 9.05</u>	<u>Sub-Agents</u>	175
<u>Section 9.06</u>	<u>Successor Agent</u>	176
<u>Section 9.07</u>	<u>Independent Credit Decisions</u>	177
<u>Section 9.08</u>	<u>Powers and Immunities of each Issuing Bank</u>	177
<u>Section 9.09</u>	<u>Permitted Release of Collateral and Subsidiary Loan Parties</u>	177
<u>Section 9.10</u>	<u>Perfection by Possession and Control</u>	179
<u>Section 9.11</u>	<u>Lender Affiliates Rights</u>	179
<u>Section 9.12</u>	<u>Actions in Concert and Enforcement by the Collateral Agent</u>	180
<u>Section 9.13</u>	<u>Other Agents; Arrangers and Managers</u>	180
<u>Section 9.14</u>	<u>Certain ERISA Matters</u>	180
<u>Article X Miscellaneous</u>		182
<u>Section 10.01</u>	<u>Notices</u>	182
<u>Section 10.02</u>	<u>Waivers; Amendments</u>	184
<u>Section 10.03</u>	<u>Expenses; Indemnity; Damage Waiver</u>	188
<u>Section 10.04</u>	<u>Successors and Assigns</u>	190
<u>Section 10.05</u>	<u>Survival</u>	196
<u>Section 10.06</u>	<u>Counterparts; Integration; Effectiveness</u>	197
<u>Section 10.07</u>	<u>Severability</u>	197
<u>Section 10.08</u>	<u>Right of Setoff</u>	197
<u>Section 10.09</u>	<u>Governing Law; Jurisdiction; Consent to Service of Process</u>	198
<u>Section 10.10</u>	<u>WAIVER OF JURY TRIAL</u>	198
<u>Section 10.11</u>	<u>Headings</u>	199
<u>Section 10.12</u>	<u>Confidentiality</u>	199
<u>Section 10.13</u>	<u>Maximum Interest Rate</u>	200

<u>Section 10.14</u>	<u>Limitation of Liability</u>	201
<u>Section 10.15</u>	<u>No Duty</u>	201
<u>Section 10.16</u>	<u>No Fiduciary Relationship</u>	201
<u>Section 10.17</u>	<u>Construction</u>	201
<u>Section 10.18</u>	<u>USA Patriot Act</u>	202
<u>Section 10.19</u>	<u>[Reserved]</u>	202
<u>Section 10.20</u>	<u>Additional Borrowers</u>	202
<u>Section 10.21</u>	<u>Recognition of EU Bail-In</u>	202
<u>Section 10.22</u>	<u>Effect of Amendment and Restatement</u>	204

LIST OF EXHIBITS AND SCHEDULES
EXHIBITS

Exhibit A-1	–	Form of Assignment and Assumption
Exhibit A-2	–	Form of Affiliated Lender Assignment and Assumption
Exhibit B	–	Form of Compliance Certificate
Exhibit C	–	Form of Incremental Facility Activation Notice
Exhibit D-1 to D-4	–	Forms of U.S. Tax Compliance Certificate
Exhibit E	–	Form of Solvency Certificate
Exhibit F	–	Form of Additional Borrower Joinder
Exhibit G	–	Form of Lender Designation

SCHEDULES

Schedule 1.01	–	Existing Letters of Credit
Schedule 2.01	–	Commitments
Schedule 3.12	–	Restatement Effective Date Subsidiaries
Schedule 3.13	–	Labor Matters
Schedule 6.01	–	Existing Indebtedness
Schedule 6.02	–	Existing Liens
Schedule 6.04	–	Investments
Schedule 6.05	–	Dispositions
Schedule 6.08	–	Certain Affiliate Transactions

AMENDED AND RESTATED CREDIT AGREEMENT, dated as of April 5, 2018 (this "Agreement") among COTY INC., a Delaware corporation (the "Parent Borrower"), COTY B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands and registered with the trade register of the Chamber of Commerce under number 37069236 (the "Dutch Borrower"), the LENDERS party hereto from time to time and JPMORGAN CHASE BANK, N.A., as Administrative Agent and as Collateral Agent, which amends and restates that certain Credit Agreement, dated as of October 27, 2015 (as amended restated, amended and restated, supplemented or otherwise modified from time to time prior to effectiveness of this Agreement, the "Existing Coty Credit Agreement"), by and among the Parent Borrower, the financial institutions party thereto from time to time as lenders and JPMorgan Chase Bank, N.A., as Administrative Agent and as Collateral Agent.

WHEREAS reference is made to the Credit Agreement, dated as of January 26, 2016 (as amended restated, amended and restated, supplemented or otherwise modified from time to time prior to effectiveness of this Agreement, the "Existing Galleria Credit Agreement") and, together with the Existing Coty Credit Agreement, the "Existing Credit Agreements"), by and among Galleria Co., a Delaware corporation (the "Galleria Borrower"), the financial institutions party thereto from time to time as lenders and JPMorgan Chase Bank, N.A., as Administrative Agent and as Collateral Agent;

WHEREAS, the Parent Borrower has requested that (A) for the purpose of, among other things, refinancing the term loans outstanding under each Existing Credit Agreement prior to effectiveness of this Agreement (1) the Term A Lenders extend credit in the form of (i) Term A USD Loans on the Restatement Effective Date in an aggregate principal amount of \$1,000,000,000 and (ii) Term A EUR Loans on the Restatement Effective Date in an aggregate principal amount of €2,035,000,000 and (2) the Term B Lenders extend credit in the form of (i) Term B USD Loans on the Restatement Effective Date in an aggregate principal amount of \$1,400,000,000 and (ii) Term B EUR Loans on the Restatement Effective Date in an aggregate principal amount of €850,000,000, (B) for the purpose of, among other things, refinancing the revolving loans outstanding under each Existing Credit Agreement prior to effectiveness of this Agreement and for general corporate purposes or any purpose not prohibited under the Loan Documents, the Revolving Lenders extend credit in the form of Revolving Loans, the Swingline Lenders extend credit in the form of Swingline Loans and the Issuing Banks issue Letters of Credit in an aggregate amount at any time outstanding of up to \$2,750,000,000 and (C) the Existing L/C Issuer maintain the Existing Letters of Credit as Letters of Credit hereunder; and

WHEREAS, the Lenders and Issuing Banks party hereto, as applicable, have agreed to provide such Loans and Letters of Credit and the Parent Borrower, the other Loan Parties hereto, the Administrative Agent, the Collateral Agent and the Lenders and Issuing Banks party hereto have agreed to amend and restate the Existing Coty Credit Agreement as provided herein.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

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

“Additional Borrower Joinder” means an Additional Borrower Joinder, substantially in the form of Exhibit F hereto.

“Additional Borrowers” has the meaning set forth in Section 10.20.

“Additional Lender” has the meaning set forth in Section 2.20(b).

“Adjusted Daily Simple SOFR” means an interest rate per annum equal to (a) Daily Simple SOFR, *plus* (b) 0.11448%; provided that if the Adjusted Daily Simple SOFR Rate as so determined would be less than zero, such rate shall be deemed to be equal to zero for the purposes of this Agreement.

“Adjusted EBITDA” means, for any period (the “Subject Period”), the total of the following calculated without duplication for such period:

(a) the EBITDA of the Parent Borrower and its Restricted Subsidiaries; plus

(b) on a Pro Forma Basis, the *pro forma* EBITDA (as adjusted by any increases pursuant to clauses (c) and (d) below) and cash distributions of any Prior Target (or, as applicable, the EBITDA and such cash distributions of any such Prior Target attributable to the assets acquired from such Prior Target), for any portion of such Subject Period occurring prior to the date of the acquisition of such Prior Target (or the related assets, as the case may be); plus

(c) extraordinary, unusual or non-recurring items; plus

(d) restructuring charges and related charges, accruals or reserves; costs, charges, accruals, reserves or expenses attributable to the undertaking and/or implementation of cost savings initiatives, operating expense reductions, operating improvements, business optimization, synergies and similar initiatives, including costs related to the opening, closure and/or consolidation of offices and facilities and the termination of distributor and joint venture arrangements (including the termination or discontinuance of activities constituting a business), retention charges, contract termination costs, recruiting and signing bonuses and expenses, systems establishment costs, severance expenses and any cost associated with any modification to any pension and post-retirement employee benefit plan, conversion costs and any business development, consulting fees or legal fees or costs relating to the foregoing; plus

(e)(i) all fees, commissions, costs and expenses incurred or paid by the Parent Borrower and its Subsidiaries and (ii) transaction separation and integrations costs, in each case in connection with the Original Transactions, the Transactions and any Permitted Acquisition; plus

(f)(i) solely for purposes of actual compliance with Section 7.01 (and not, for the avoidance of doubt, compliance on a Pro Forma Basis therewith), *pro forma* cost savings, operating expense reductions and synergies related to, and net of the amount of actual benefits realized during such Subject Period from, Specified Transactions, restructurings and cost savings initiatives or other similar initiatives that are reasonably identifiable, factually supportable and projected by the Parent Borrower in good faith to result from actions that have been taken or with respect to which substantial steps have been taken, committed to be taken or are expected to be taken (in the good faith determination of the Parent Borrower), in each case within thirty six (36) months after such Specified Transaction, restructuring, cost savings initiative or other initiative, and (ii) in each other calculation of Adjusted EBITDA, *pro forma* cost savings, operating expense reductions and synergies related to, and net of the amount of actual benefits realized during such Subject Period from, Specified Transactions, restructurings and cost savings initiatives or other similar initiatives that are reasonably identifiable, factually supportable and projected by the Parent Borrower in good faith to result from actions that have been taken or with respect to which substantial steps have been taken, committed to be taken or are expected to be taken (in the good faith determination of the Parent Borrower), in each case within twenty four (24) months after such Specified Transaction, restructuring, cost savings initiative or other initiative; plus

(g)(i) *pro forma* cost savings, operating expense reductions and synergies related to, and net of the amount of actual benefits realized during such Subject Period from, the Original Transactions that are reasonably identifiable, factually supportable and projected by the Parent Borrower in good faith to be realized, and to result from actions that have been taken, committed to be taken or with respect to which substantial steps have been taken or are expected to be taken (in the good faith determination of the Parent Borrower) provided that such *pro forma* cost savings, operating expense reductions and synergies shall not exceed, for (x) the Subject Periods ending on or prior to June 30, 2019, \$375,000,000 (y) the Subject Periods ending, September 30, 2019, December 31, 2019, March 31, 2020 and June 30, 2020, \$150,000,000; and (z) for each Subject Period thereafter, zero.

(h)[reserved];

(i) the amount of any charge, cost or expense in connection with a single or one-time event, including, without limitation, in connection with (x) any acquisition or other investment consummated before or after the Restatement Effective Date and (y) the consolidation, closing or reconfiguration of any facility during such Subject Period; minus

(j) the EBITDA of each Prior Company and, as applicable but without duplication, the EBITDA of the Parent Borrower and each Restricted Subsidiary attributable to all Prior Assets, in each case for any portion of such Subject Period occurring prior to the date of the disposal of such Prior Companies or Prior Assets.

“Adjusted EURIBOR Rate” means, with respect to any Term Benchmark Borrowing denominated in Euros for any Interest Period, an interest rate per annum equal to (a) the EURIBOR Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate; provided that if the Adjusted EURIBOR Rate as so determined would be less than zero, such rate shall be deemed to be equal to zero for the purposes of this Agreement.

“Adjusted Term SOFR Rate” means, with respect to any Term Benchmark Borrowing denominated in Dollars for any Interest Period, an interest rate per annum equal to (a) the Term SOFR Rate for such Interest Period, *plus* (b) the Term SOFR Adjustment; provided that if the Adjusted Term SOFR Rate as so determined would be less than zero, such rate shall be deemed to be equal to zero for the purposes of this Agreement.

“Administrative Agent” means JPMorgan Chase Bank, N.A. (including its branches and affiliates), in its capacity as administrative agent for the Lenders hereunder.

“Administrative Questionnaire” means an administrative questionnaire in a form supplied by the Administrative Agent.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Affiliated Lender” means a Lender that is a JAB Affiliate (excluding the Borrowers and their respective Subsidiaries).

“Affiliated Lender Assignment and Assumption” means an Affiliated Lender Assignment and Assumption, substantially in the form of Exhibit A-2 hereto.

“Agent” means a collective reference to the Administrative Agent and the Collateral Agent.

“Agreed Currencies” means Dollars and each Alternative Currency.

“Agreement” has the meaning set forth in the preamble hereto.

“All-In-Yield” means as to any Indebtedness, the yield thereof, whether in the form of interest rate, margin, original issue discount, upfront fees, recurring periodic fees in substance equivalent to interest, any interest rate floor (to the extent the operation of such floor would increase the yield on drawn amounts on the proposed date of incurrence thereof), or otherwise, in each case, incurred or payable by the applicable Borrower generally to all the lenders of such indebtedness; provided that original issue discount and upfront fees shall be equated to interest rate assuming a 4-year life to maturity (or, if less, the stated life to maturity at the time of its incurrence of the applicable Indebtedness); and provided, further, that “All-In Yield” shall not include arrangement fees, structuring fees, commitment fees, underwriting fees and other similar fees not paid generally to all lenders of such Indebtedness.

“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 ½ of 1% and (c) the Adjusted Term SOFR Rate for a one (1) month Interest Period as

published two U.S. Government Securities Business Days prior to such day (or if such day is not a U.S. Government Securities Business Day, the immediately preceding U.S. Government Securities Business Day) plus 1%; provided that for the purpose of this definition, the Adjusted Term SOFR Rate for any day shall be based on the Term SOFR Reference Rate at approximately 5:00 a.m. Chicago time on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the CME Term SOFR Administrator in the Term SOFR Reference Rate methodology). Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted Term SOFR Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 2.14(b)), then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above.

“Alternative Currencies” means Euro and any other currency reasonably acceptable to the Administrative Agent and each applicable Revolving Lender that is freely convertible into Dollars.

“Annual Financial Statements” means the audited combined balance sheets of and related statements of income, stockholders’ equity and cash flows of the Parent Borrower as of the last day of and for the three (3) most recently completed fiscal years ended at least ninety (90) days prior to the Restatement Effective Date.

“Anti-Corruption Laws” means the U.S. Foreign Corrupt Practices Act of 1977 (Pub. L. No. 95 213, §§101 104), as amended (the “FCPA”), the UK Bribery Act of 2010 and any similar laws, rules, and regulations of any jurisdiction applicable to any Borrower or any of their respective Subsidiaries from time to time concerning or relating to bribery or corruption.

“Anticipated Cure Deadline” has the meaning set forth in Section 8.02(a).

“Applicable Credit Rating” means, at any time, (a) the credit rating of the Credit Facilities assigned to the Credit Facilities by S&P and Moody’s at such time or (b) if the Credit Facilities shall not be rated by S&P and Moody’s at such time, the Parent Borrower’s corporate credit rating assigned by S&P and Moody’s at such time; provided that if at any time S&P shall no longer maintain any of the foregoing ratings, the Administrative Agent and the Parent Borrower shall determine the Applicable Credit Rating using the corresponding ratings level of a rating agency that is reasonably agreed to by the Administrative Agent and the Parent Borrower (a “Replacement Rating Agency”). If any rating established or deemed to have been established by S&P (or, if applicable, a Replacement Rating Agency) shall be changed (other than as a result of a change in the rating system of S&P or Moody’s or such Replacement Rating Agency), such change shall be effective as of the date on which such change is first announced by the rating agency making such change. If the rating system of S&P or Moody’s (or, if applicable, the then current Replacement Rating Agency) shall change, the Parent Borrower and the Required Lenders shall negotiate in good faith to amend the definition of “Collateral Release Period” to reflect such changed rating system or the non-availability of ratings from S&P or Moody’s (or

such Replacement Rating Agency) and, pending the effectiveness of any such amendment, the Applicable Credit Rating shall be determined by reference to the rating most recently in effect from S&P or Moody's (or such Replacement Rating Agency) prior to such change. If an Applicable Credit Rating shall not be available from S&P or Moody's and the Administrative Agent shall have designated a Replacement Rating Agency, then the Parent Borrower and the Required Lenders shall negotiate in good faith to amend the definition of "Collateral Release Period" to reflect such Replacement Rating Agency. Pending the appointment of a Replacement Rating Agency and the effectiveness of any such amendment, the Applicable Credit Rating and Collateral Release Period shall be determined by reference to the rating most recently in effect prior to such unavailability.

"Applicable Fiscal Year" has the meaning set forth in Section 2.11(d).

"Applicable Percentage" means, with respect to any Revolving Lender, subject to Section 2.21, the percentage of the total Revolving Commitments represented by such Lender's Revolving Commitment. If the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments.

"Applicable Rate" means, for any day and with respect to any:

(a) (i) Term B USD Loan, 2.25% in the case of Term Benchmark Loans and 1.25% in the case of ABR Loans and (ii) Term B EUR Loan, 2.50%.

(b) Term A Loan or Revolving Loan and with respect to any letter of credit fee or Revolving Facility Commitment Fee, as the case may be, the lesser of (x) applicable rate per annum set forth below under the caption, "Term Benchmark Spread", "ABR Spread", "Letter of Credit Fee" or "Revolving Facility Commitment Fee", as the case may be, based upon the Total Net Leverage Ratio as of the last day of the most recently ended Test Period or (y) the applicable Debt Rating Spread:

Category	Total Net Leverage Ratio	Term Benchmark Spread	ABR Spread	Letter of Credit Fee	Revolving Facility Commitment Fee
1	Greater than or equal to 4.75:1.00	2.00%	1.00%	2.00%	0.35%
2	Less than 4.75:1.00 but greater than or equal to 4.00:1.00	1.75%	0.75%	1.75%	0.30%
3	Less than 4.00:1.00 but greater than or equal to 2.75:1.00	1.50%	0.50%	1.50%	0.25%
4	Less than 2.75:1.00 but greater than or equal to 2.00:1.00	1.25%	0.25%	1.25%	0.20%
5	Less than 2.00:1.00 but greater than or equal to 1.50:1.00	1.125%	0.125%	1.125%	0.15%
6	Less than 1.50:1.00	1.00%	0%	1.00%	0.10%

For purposes of the foregoing, (i) the Total Net Leverage Ratio shall be determined as of the last day of the most recently ended Test Period based upon the Parent Borrower's consolidated financial statements most recently delivered pursuant to Section 5.01(a) or (b); provided that until delivery of the Parent Borrower's consolidated financial statements for the first fiscal quarter ended after the Restatement Effective Date as required by Section 5.01(a) or (b), the "Applicable Rate" in clause (b)(i) above shall be the applicable rate per annum set forth in Category 2 thereof and (ii) each change in the Applicable Rate resulting from a change in the Total Net Leverage Ratio shall be effective during the period commencing on and including the date of delivery to the Administrative Agent of such consolidated financial statements indicating such change and ending on the date immediately preceding the effective date of the next such change; provided that the Total Net Leverage Ratio shall be deemed to be in Category 1 if the Parent Borrower fails to deliver the consolidated financial statements required to be delivered by it pursuant to Section 5.01(a) or (b), during the period from the expiration of the time for delivery thereof until such consolidated financial statements are delivered.

“Approved Electronic Communications” means any notice, demand, communication, information, document or other material that any Loan Party provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein which is distributed to any agents hereunder or to Lenders by means of electronic communications pursuant to Section 10.01.

“Approved Fund” means a Person (other than a natural person) that is primarily engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its activities and that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

“Arrangers” means JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley Senior Funding, Inc., BNP Paribas Securities Corp., Credit Agricole Corporate and Investment Bank, Mizuho Bank, Ltd., Deutsche Bank Securities Inc., ING Bank N.V., Royal Bank of Canada, HSBC Securities (USA) Inc. and UniCredit.

“Asset Swap” means a concurrent purchase and sale or exchange of Related Business Assets (or assets which prior to their sale or exchange have ceased to be Related Business Assets of the Parent Borrower or any of its Restricted Subsidiaries) between the Parent Borrower or any of its Restricted Subsidiaries and another Person; provided that the Parent Borrower or such Restricted Subsidiary, as the case may be, receives consideration at least equal to the fair market value (such fair market value to be determined on the date of the contractually agreeing to such transaction) as determined in good faith by the Parent Borrower.

“Assignment and Assumption” means an Assignment and Assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.04), and accepted by the Administrative Agent, in the form of Exhibit A-1 or any other form approved by the Administrative Agent.

“Available Amount” means, at any date, an amount equal to the sum of:

(a) \$425,000,000; plus

(b) an amount, not less than zero in the aggregate, equal to 50% of Consolidated Net Income of the Parent Borrower and its Restricted Subsidiaries for the period (taken as one accounting period) from the first day of the fiscal quarter during which the Restatement Effective Date occurs to the end of the fiscal quarter most recently ended in respect of which a Compliance Certificate has been delivered as required hereunder; plus

(c) the Net Proceeds (or, if the proceeds thereof (including any assets acquired in connection with acquisitions permitted hereunder for which the Parent Borrower issued Equity Interests as consideration) are other than cash, the fair market value (as determined in good faith by the Parent Borrower) of such proceeds) actually received by the Parent Borrower from and after the Restatement Effective Date to such date from any capital contributions to, or the sale or issuance of Equity Interests of the Parent Borrower (other than (i) Disqualified Equity Interests,

(ii) Equity Interests issued or sold to a Restricted Subsidiary or an employee stock ownership plan or similar trust is financed by loans from or Guaranteed by the Parent Borrower or any Restricted Subsidiary unless such loans have been repaid with cash on or prior to the date of determination, (iii) Equity Interests the Net Proceeds of which are used to repay long-term Indebtedness for borrowed money (other than (i) revolving loans or (ii) Indebtedness of a Person, or Indebtedness secured by a Lien on the assets, being acquired in connection with acquisitions permitted hereunder for which the Parent Borrower issues Equity Interests as consideration), (iv) Specified Equity Contributions and (v) Excluded Contributions); plus

(d) the Net Proceeds of Indebtedness and Disqualified Equity Interests of the Parent Borrower and its Restricted Subsidiaries, in each case issued after the Restatement Effective Date, which have been exchanged or converted into Equity Interests (other than of Disqualified Equity Interests) of the Parent Borrower, together with any cash and Cash Equivalents and the fair market value (as determined in good faith by the Parent Borrower) of any assets that are received by the Parent Borrower or any Restricted Subsidiary upon such exchange or conversion; plus

(e) the Net Proceeds received by the Borrowers and their respective Restricted Subsidiaries of Dispositions of Investments made using the Available Amount; plus

(f) returns received in cash or Cash Equivalents by the Borrowers and their respective Restricted Subsidiaries on Investments made using the Available Amount (including Investments in Unrestricted Subsidiaries); plus

(g) (x) the Investments of the Borrowers and their respective Restricted Subsidiaries made using the Available Amount in any Unrestricted Subsidiary that has been re-designated as a Restricted Subsidiary or that has been merged or consolidated with or into any Borrower or any of its Restricted Subsidiaries (up to the fair market value (as determined in good faith by the Borrowers) of the Investments of the Borrowers and their respective Restricted Subsidiaries in such Unrestricted Subsidiary at the time of such re-designation or merger or consolidation) and (y) the fair market value (as determined in good faith by the Parent Borrower) of the assets of any Unrestricted Subsidiary acquired by such Unrestricted Subsidiary with the proceeds of Investments of the Parent Borrower and its Restricted Subsidiaries made using the Available Amount in such Unrestricted Subsidiary that have been transferred, conveyed or otherwise distributed to the Parent Borrower and its Restricted Subsidiaries (up to the fair market value (as determined in good faith by the Parent Borrower) of the Investments of the Parent Borrower and its Restricted Subsidiaries in such Unrestricted Subsidiary at the time of such transfer, conveyance or other distribution); plus

(h) Declined Amounts; plus

(i) the Net Proceeds received by the Parent Borrower and its Restricted Subsidiaries to the extent such Net Proceeds are expressly excepted from application of the prepayment provisions of Section 2.11(c); minus

(j)(i) Investments made in reliance on Section 6.04(j), or (u), (ii) Restricted Payments made in reliance on Section 6.07(a)(ix) and (iii) payments made in reliance on Section 6.07(b)(iv).

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark for any Agreed Currency, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement 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 clause (e) of Section 2.14.

“Benchmark” means, initially, with respect to any (i) Term SOFR Loan, the Adjusted Term SOFR Rate or (ii) Eurocurrency Loan, the Adjusted EURIBOR Rate; provided that if a Benchmark Transition Event, and the related Benchmark Replacement Date have occurred with respect to the Adjusted Term SOFR Rate or the Adjusted EURIBOR Rate, as applicable, or the then-current Benchmark for any Agreed Currency, then “Benchmark” means the applicable Benchmark Replacement for such Agreed Currency to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) of Section 2.14.

“Benchmark Replacement” means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date; provided that, in the case of any Loan denominated in an Alternative Currency, “Benchmark Replacement” shall mean the alternative set forth in (2) below:

(1) in the case of any Loan denominated in Dollars, Adjusted Daily Simple SOFR;

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrowers as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body and/or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for syndicated credit facilities denominated in the applicable Agreed Currency at such time in the United States and (b) the related Benchmark Replacement Adjustment;

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than 0.00%, the Benchmark Replacement will be deemed to be 0.00% for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest

Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, 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 Borrowers for the applicable Corresponding Tenor 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 Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/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 Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable Agreed Currency at such time.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement and/or any Term SOFR Loan, any technical, administrative or operational changes (including changes to the definition of “Alternate Base Rate,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides in consultation with the Parent Borrower 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 decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means, with respect to any Benchmark, the earliest to occur of the following events with respect to such then-current Benchmark:

(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 such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness 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, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) 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” means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

(1) 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) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the NYFRB, the CME Term SOFR Administrator, the central bank for the Agreed Currency applicable to such Benchmark, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

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 Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.14.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Borrowers” means the Parent Borrower and, solely with respect to the Revolving Credit Facility, the Dutch Borrower and any Additional Borrowers.

“Borrowing” means (a) Loans of the same Class and Type, made, converted or continued on the same date and, in the case of Term SOFR Loans and Eurocurrency Loans, as to which a single Interest Period is in effect or (b) a Swingline Loan.

“Borrowing Request” means a request by the applicable Borrower for a Borrowing in accordance with Section 2.03.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, in addition to the foregoing, a Business Day shall be (a) in relation to Loans denominated in Euros and in relation to the calculation or computation of EURIBOR, any day which is a TARGET Day and (b) in relation to Loans referencing the Adjusted Term SOFR Rate or Adjusted Daily Simple SOFR, and any interest rate settings, fundings, disbursements, settlements or payments of any such Loans referencing the Adjusted Term SOFR Rate or Adjusted Daily Simple SOFR, or any other dealings of such Loans referencing the Adjusted Term SOFR Rate or Adjusted Daily Simple SOFR, any such day that is a U.S. Government Securities Business Day.

“Capital Expenditures” means, for any period and a Person, without duplication (a) the additions to property, plant and equipment and other capital expenditures of such Person and its consolidated subsidiaries that are (or would be) set forth in a consolidated statement of cash flows of such Person for such period prepared in accordance with GAAP and (b) Capital Lease Obligations incurred by such Person and its consolidated subsidiaries during such period.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP; provided, however, that all obligations of any Person that are or would have been treated as operating leases (including for avoidance of doubt, any network lease or any operating indefeasible right of use) for purposes of GAAP prior to the issuance by the Financial Accounting Standards Board on February 25, 2016 of an Accounting Standards Update (the “ASU”) shall continue to be accounted for as operating leases for purposes of all financial definitions and calculations for purpose of this Agreement (whether or not such operating lease obligations were in effect on such date) notwithstanding the fact that such obligations are required in accordance with the ASU (on a prospective or retroactive basis or otherwise) to be treated as Capital Lease Obligations in the financial statements to be delivered pursuant to Section 5.01.

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

“Carryover Amount” has the meaning provided in Section 6.07(a)(v).

“Cash Equivalents” means:

- (a) Dollars;
- (b) (i) Canadian Dollars, Pounds, Japanese Yen, Euros, any national currency of any participating member state of the EMU, Swiss Franc and any other Alternative Currency;
- (c) securities issued or directly and fully and unconditionally guaranteed or insured by the U.S. government or any agency or instrumentality thereof the securities of which are unconditionally guaranteed as a full faith and credit obligation of such government with maturities of 12 months or less from the date of acquisition;
- (d) certificates of deposit, time deposits and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, demand deposits, bankers’ acceptances with maturities not exceeding one year and overnight bank deposits, in each case with any domestic or foreign commercial bank having capital and surplus of not less than \$500,000,000 in the case of U.S. banks and \$100,000,000 (or the U.S. dollar equivalent as of the date of determination) in the case of non-U.S. banks;
- (e) repurchase obligations for underlying securities of the types described in clauses (c), (d) and (h) entered into with any financial institution or recognized securities dealer meeting the qualifications specified in clause (d) above;
- (f) commercial paper rated at least P-2 by Moody’s or at least A-2 by S&P (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 24 months after the date of creation or acquisition thereof and Indebtedness or preferred stock issued by Persons with a rating of “A” or higher from S&P or “A-2” or higher from Moody’s with maturities of 24 months or less from the date of acquisition;

(g) marketable short-term money market and similar funds 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);

(h) readily marketable direct obligations issued by any state, commonwealth or territory of the United States or any political subdivision or taxing authority thereof having an Investment Grade Rating from either Moody’s or S&P (or, if at any time neither Moody’s nor S&P shall be rating such obligations, an equivalent rating from another rating agency) with maturities of 24 months or less from the date of acquisition;

(i) readily marketable direct obligations issued by any foreign government or any political subdivision or public instrumentality thereof, in each case having an Investment Grade Rating from either Moody’s or S&P (or, if at any time neither Moody’s nor S&P shall be rating such obligations, an equivalent rating from another rating agency) with maturities of 24 months or less from the date of acquisition;

(j) Investments with average maturities of 12 months or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody’s (or, if at any time neither Moody’s nor S&P shall be rating such obligations, an equivalent rating from another rating agency);

(k) other investments described in the Parent Borrower’s investment policy provided to the Administrative Agent prior to the Restatement Effective Date; and

(l) investment funds investing at least 90.0% of their assets in securities of the types described in clauses (a) through (k) above.

In the case of Investments by any Foreign Subsidiary that is a Restricted Subsidiary or Investments made in a country outside the United States of America, Cash Equivalents shall also include investments of the type and maturity described in clauses (a) through (h) and clauses (j), through (l) above of foreign obligors (including investments that are denominated in currencies other than those set forth in clauses (a) and (b) above, provided that such amounts are converted into any currency listed in clauses (a) and (b) as promptly as practicable and in any event within ten (10) Business Days following the receipt of such amounts), which Investments or obligors (or the parents of such obligors) have ratings described in such clauses or equivalent ratings from comparable foreign rating agencies.

“CBR Loan” means a Loan that bears interest at a rate determined by reference to the Central Bank Rate.

“CBR Spread” means the Applicable Rate applicable to such Loan that is replaced by a CBR Loan.

“Central Bank Rate” means, (A) the greater of (i) for any Loan denominated in (a) Euro, one of the following three rates as may be selected by the Administrative Agent in its reasonable discretion: (1) the fixed rate for the main refinancing operations of the European Central Bank (or any successor thereto), or, if that rate is not published, the minimum bid rate for the main refinancing operations of the European Central Bank (or any successor thereto), each as published by the European Central Bank (or any successor thereto) from time to time, (2) the rate for the marginal lending facility of the European Central Bank (or any successor thereto), as published by the European Central Bank (or any successor thereto) from time to time or (3) the rate for the deposit facility of the central banking system of the Participating Member States, as published by the European Central Bank (or any successor thereto) from time to time and (b) any other Alternative Currency, a central bank rate as determined by the Administrative Agent in its reasonable discretion and (ii) 0.00%; plus (B) the applicable Central Bank Rate Adjustment.

“Central Bank Rate Adjustment” means, for any day, for any Loan denominated in (a) Euro, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of the Adjusted EURIBOR Rate for the five most recent Business Days preceding such day for which the EURIBOR Screen Rate was available (excluding, from such averaging, the highest and the lowest Adjusted EURIBOR Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Euro in effect on the last Business Day in such period and (b) any other Alternative Currency, a Central Bank Rate Adjustment as determined by the Administrative Agent in its reasonable discretion. For purposes of this definition, (x) the term Central Bank Rate shall be determined disregarding clause (B) of the definition of such term and (y) the EURIBOR Rate on any day shall be based on the EURIBOR Screen Rate on such day at approximately the time referred to in the definition of such term for deposits in the applicable Agreed Currency for a maturity of one month; provided that in each case, if such rate shall be less than 0.00%, such rate shall be deemed to be 0.00%.

“CFC” means a “controlled foreign corporation” within the meaning of Section 957(a) of the Code.

“CFC Holdco” means a Domestic Subsidiary substantially all of whose assets consist (directly or indirectly through entities that are disregarded for United States federal income tax purposes) of the Equity Interests and/or Indebtedness of one or more CFCs.

“Change in Control” means any of the following:

(a) (i) any “person” or “group” (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the date of this Agreement) (other than the Owner Group) acquires or holds (A) 35% or more of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Parent Borrower and (B) that amount of shares acquired or held by such “person” or “group” exceeds the Parent Borrower’s Equity Interests held, directly or indirectly, beneficially or of record, by the Owner Group at such time; or

(b) Parent Borrower shall cease to own except in the case of transactions that are expressly permitted under this Agreement, directly or indirectly, 100% of the Equity Interests of any Additional Borrower;

(c) the board of directors of the Parent Borrower shall cease to consist of a majority of Continuing Directors; or

(d) the occurrence of a "Change in Control" or any comparable event with respect to a Borrower resulting in a requirement for such Borrower to prepay or make an offer to purchase any Permitted Ratio Debt, Permitted Acquisition Debt, Incremental Equivalent Debt, any Refinancing Notes or any Refinancing Loans with an aggregate principal amount outstanding in excess of the Threshold Amount, as the term "Change in Control" or those events are defined under any of the documentation evidencing and governing any of the any Permitted Ratio Debt, Permitted Acquisition Debt, Incremental Equivalent Debt, any Refinancing Notes or any Refinancing Loans, as applicable;

"Change in Law" means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c) compliance by any Lender or any Issuing Bank (or, for purposes of Section 2.15(b), by any lending office of such Lender or by such Lender's or the Issuing Bank's holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; provided, however, that notwithstanding anything herein to the contrary, (i) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision or by United States or foreign regulatory authorities, in each case pursuant to Basel III, (ii) all requests, rules, guidelines, requirements and directives promulgated by the European Commission or foreign regulatory authorities, in each case pursuant to any Capital Requirement Directive (including CRD IV) and (iii) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder or issued in connection therewith or in implementation thereof, shall in each case be deemed to be a Change in Law, regardless of the date enacted, adopted, issued or implemented.

"Class", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans, USD/Multicurrency Revolving Loans, Term Loans, Term A Loans, Term A USD Loans, Term A EUR Loans, Term B Loans, Term B USD Loans, Term B EUR Loans, Swingline Loans, Loans made pursuant to any Specified Refinancing Debt constituting revolving facility commitments, Loans made pursuant to any Specified Refinancing Debt constituting term loans, Loans made pursuant to an Incremental Revolving Commitment (other than an Incremental Revolving Commitment that is an increase of an existing revolving commitment), Loans made pursuant to an Incremental Term Facility and, when used in reference to any Commitment, refers to whether such Commitment is a Revolving Commitment, USD/ Multicurrency Revolving Commitment, Term Commitment, Term B Commitment, Term B USD Commitments, Term B EUR Commitments, Term A Commitment,

Term A USD Commitment, Term A EUR Commitment, Specified Refinancing Debt constituting revolving facility commitment, Specified Refinancing Debt constituting term loan commitment, an Incremental Revolving Commitment (other than an Incremental Revolving Commitment that is an increase of an existing revolving commitment) or a commitment for Incremental Term Loans.

“CME Term SOFR Administrator” means CME Group Benchmark Administration Limited as administrator of the forward-looking term Secured Overnight Financing Rate (SOFR) (or a successor administrator).

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Collateral” has the meaning given to such term in the Security Agreement.

“Collateral Agent” means JPMorgan Chase Bank, N.A., in its capacity as collateral agent for the Secured Parties hereunder.

“Collateral and Guarantee Requirement” means, at any time, subject to (x) the applicable limitations set forth in this Agreement and/or any other Loan Document and (y) the time periods (and extensions thereof) set forth in Section 5.10, the requirement that:

(a) the Collateral Agent shall have received each Security Document required to be delivered pursuant to Section 5.10 at such time required by such Sections to be delivered, in each case, duly executed by each Loan Party that is party thereto;

(b) all Obligations shall have been unconditionally guaranteed by each Restricted Subsidiary (other than any Excluded Subsidiary);

(c) except to the extent otherwise provided hereunder or under any Security Document, the Obligations and the Guaranty shall have been secured by a perfected security interest, subject to no Liens other than the Liens permitted under Section 6.02, in all Equity Interests of each wholly owned Material Subsidiary directly owned by the Parent Borrower or any Subsidiary Loan Party (which security interest, in the case of Equity Interests of any Foreign Subsidiary or any CFC Holdco shall be limited to 65% of the issued and outstanding Equity Interests of such Subsidiary or CFC Holdco, as the case may be), in each case other than any Excluded Equity Interests; and

(d) except to the extent otherwise provided hereunder or under any Security Document, the Obligations and the Guaranty shall have been secured by a perfected security interest, subject to no Liens other than the Liens permitted under Section 6.02, in the Collateral, in each case, with the priority required by the Security Documents, to the extent required under, and subject to exceptions and limitations otherwise set forth in this Agreement and the Security Documents.

The foregoing definition shall not require, and the Loan Documents shall not contain any requirements as to, the creation or perfection of pledges of or security interests in or taking other actions with respect to any Excluded Assets.

The Collateral Agent may grant extensions of time for the perfection of security interests in particular assets and the delivery of assets where it reasonably determines, in consultation with the Parent Borrower, that perfection cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required by this Agreement or the Security Documents.

No actions required by the laws of any non-U.S. jurisdiction shall be required in order to create any security interests in any assets or to perfect or make enforceable such security interests (including any intellectual property registered in any non-U.S. jurisdiction) (it being understood that there shall be no security agreements or pledge agreements governed under the laws of any non-U.S. jurisdiction or any requirement to make any filings in any foreign jurisdiction including with respect to foreign intellectual property). No actions shall be required with respect to assets requiring perfection through control agreements or perfection by "control" (as defined in the UCC) (other than in respect of Indebtedness for borrowed money (other than intercompany Indebtedness) owing to the Loan Parties evidenced by a note in excess of \$7,500,000, Indebtedness of any non-Loan Party that is owing to any Loan Party (which shall be evidenced by the Global Intercompany Note and pledged to the Collateral Agent) and certificated Equity Interests of wholly owned Restricted Subsidiaries that are Material Subsidiaries otherwise required to be pledged pursuant to the Security Agreement to the extent required under clause (e) above).

"Collateral Release Period" shall mean any period during which (i) the Applicable Credit Rating is at least BBB- (with stable or better outlook) from S&P and at least Baa3 (with stable or better outlook) from Moody's, (ii) no Event of Default then exists and (iii) no Term B Loans or any other Indebtedness for borrowed money of the Parent Borrower or any of the Subsidiary Loan Parties (other than the Obligations) that is secured is then outstanding. Each Collateral Release Period shall (x) commence upon (a) the Parent Borrower's satisfaction of the conditions set forth in the immediately preceding sentence and (b) certification by the Parent Borrower thereof and (y) shall terminate on the first date following the commencement of such Collateral Release Period on which the Parent Borrower ceases to satisfy any of the above conditions.

"Commitment" means a Revolving Commitment or the Term Commitment, or any combination thereof (as the context requires).

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. §1 et. seq.), as amended from time to time and any successor statute.

"Consolidated Net Income" means, for any period and any Person (a "Subject Person"), such Subject Person's consolidated net income (or loss) determined in accordance with GAAP, but excluding (i) any extraordinary, non-recurring, non-operating or unusual gains, charges or losses and/or any non-cash gains, charges or losses (including (x) costs and payments in connection with actual or prospective litigation, legal settlements, fines, judgments or orders, (y)

costs of, and payments of, corporate reorganizations and (z) gains, income, losses, expenses or charges (less all fees and expenses chargeable thereto) attributable to any sales or dispositions of Equity Interests or assets (including asset retirement costs) or returned surplus assets of any employee benefit plan outside of the ordinary course of business), and (ii) including or in addition to the above, the following:

(a) the income (or loss) of any Unrestricted Subsidiary, any other Person that is not a Restricted Subsidiary but whose accounts would be consolidated with those of the Subject Person in the Subject Person's consolidated financial statements in accordance with GAAP or any other Person (other than a Restricted Subsidiary) in which the Subject Person or a subsidiary has an ownership interest (including any joint venture); provided, however, that Consolidated Net Income shall include amounts in respect of the income of such Person when actually received in cash or Cash Equivalents by the Subject Person or such subsidiary in the form of dividends or similar distributions;

(b) the income or loss of any Person acquired by the Subject Person or a subsidiary for any period prior to the date of such acquisition (provided such income or loss may be included in the calculation of Adjusted EBITDA to the extent provided in the definition thereof);

(c) the cumulative effect of any change in accounting principles or policies in accordance with GAAP during such period;

(d) any net gains, income, charges, losses, expenses or charges with respect to (i) disposed, abandoned, closed and discontinued operations (other than assets held for sale) and any accretion or accrual of discounted liabilities and on the disposal of disposed, abandoned, and discontinued operations and (ii) facilities, plants or distribution centers that have been closed during such period;

(e) effects of adjustments (including the effects of such adjustments pushed down to the Subject Person) in the Subject Person's consolidated financial statements pursuant to GAAP (including in the inventory, property and equipment, software, goodwill, intangible assets, in-process research and development, deferred revenue, deferred rent and debt line items thereof) resulting from the application of recapitalization accounting or acquisition accounting, as the case may be, in relation to the Original Transactions or any consummated recapitalization or acquisition transaction or similar investment or the amortization or write-off of any amounts thereof;

(f) any net income or loss (less all fees and expenses or charges related thereto) attributable to the early extinguishment of Indebtedness (and the termination of any associated Swap Agreements);

(g) any (i) write-off or amortization made in such period of deferred financing costs and premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness, (ii) good will or other asset impairment charges, write-offs or write-downs or (iii) amortization of intangible assets;

(h) any non-cash compensation charge, cost, expense, accrual or reserve, including any such charge, cost, expense, accrual or reserve arising from the grant of stock appreciation or similar rights, stock options, restricted stock or other management equity plan, profits interest plan, pension plan, employee benefit plan, deferred compensation arrangement, distributor equity plan or any other equity incentive programs, plans, arrangements or schemes (including any compensation charge and any charge related to any repricing, amendment or other change thereto) and any cash charges associated with the rollover, acceleration or payment of management equity;

(i) any fees, costs, commissions and expenses incurred or paid by the Subject Person (or any JAB Affiliate) during such period (including rationalization, legal, Tax and structuring fees, costs and expenses), or any amortization or write-off thereof for such period in connection with or pursuant to (i) the Original Transactions or the Transactions (including shared costs and Tax formation costs, in each case, relating solely to the consummation of the Transactions, whether incurred before or after the Restatement Effective Date) or the Loan Documents and (ii) any transaction (other than any transaction among the Parent Borrower and its Subsidiaries in the ordinary course of operations), including any acquisition, investment, Disposition, recapitalization, incurrence or repayment of Indebtedness (other than the incurrence or repayment of Indebtedness among the Parent Borrower and its Subsidiaries in the ordinary course of operations), issuance of Equity Interests, refinancing transaction or amendment, waiver or modification of any Indebtedness (in each case, including any such transaction consummated prior to the Restatement Effective Date and any such transaction undertaken but not completed) and any charges or non-recurring merger, consolidation or amalgamation costs incurred during such period as a result of any such transaction;

(j) accruals and reserves that are established or adjusted after the Restatement Effective Date that are so required to be established or adjusted during such period as a result of the adoption or modification of accounting policies;

(k) any unrealized or realized net foreign currency translation gains or losses and unrealized net foreign currency transaction gains or losses, in each case impacting net income (including currency re-measurements of Indebtedness, any applicable net gains or losses resulting from Swap Agreements for currency exchange risk associated with the above or any other currency related risk and those resulting from intercompany Indebtedness); and

(l) unrealized net losses, charges or expenses and unrealized net gains in the fair market value of any arrangements under Swap Agreements.

“Continuing Directors” means the directors of the Parent Borrower on the Restatement Effective Date and each other director, if such other director’s election to the board of the directors of the Parent Borrower is recommended by, or such other director’s election is approved by, at least a majority of the then Continuing Directors.

“Contract Consideration” has the meaning set forth in the definition of “Excess Cash Flow.”

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

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Corresponding Tenor” means, with respect to any Available Tenor, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Credit Facilities” means the Revolving Facility and each Term Facility.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), a rate per annum equal to SOFR for the day (such day a “SOFR Determination Date”) that is five (5) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower.

“Date of Full Satisfaction” means, as of any date, that on or before such date: (a) the principal of and interest accrued to such date on each Loan (other than the contingent LC Exposure) shall have been paid in full in cash, (b) all fees, expenses and other amounts then due and payable which constitute Loan Obligations (other than the contingent LC Exposure and other contingent amounts for which no claim or demand has been made) shall have been paid in full in cash, (c) the Commitments shall have expired or been terminated, and (d) the contingent LC Exposure shall have been secured by: (i) the grant of a first priority, perfected Lien on cash or Cash Equivalents in an amount at least equal to 102% of the amount of such LC Exposure or other collateral which is reasonably acceptable to the applicable Issuing Bank or (ii) the issuance of a “back-to-back” letter of credit in form and substance reasonably acceptable to the applicable Issuing Bank with an original face amount at least equal to 102% of the amount of such LC Exposure.

“Debt Rating Spread” means, from time to time, the following percentages per annum, based upon the Debt Rating as set forth below:

Pricing Level	Debt Ratings S&P/Moody's	Term Benchmark Spread	ABR Spread	Letter of Credit Fee	Revolving Facility Commitment Fee
5	Less than BB+/Ba1	2.00%	1.00%	2.00%	0.35%
4	BB+/Ba1	1.75%	0.75%	1.75%	0.30%
3	BBB-/Baa3	1.50%	0.50%	1.50%	0.25%
2	BBB/Baa2	1.25%	0.25%	1.25%	0.20%
1	BBB+/Baa1 or higher	1.125%	0.125%	1.125%	0.15%

“Debt Rating” means, as of any date of determination, the corporate credit rating of the Parent Borrower as determined by either S&P or Moody’s (collectively, the “Debt Ratings”) (or, in the absence of such a rating, a comparable corporate credit or issuer rating of the Parent Borrower as reasonably determined by the Administrative Agent); provided that (a) if the respective Debt Ratings issued by the foregoing rating agencies differ by one level, then the higher of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 5 being the lowest); (b) if there is a split in Debt Ratings of more than one level, then the Pricing Level that is one level lower than the Pricing Level of the higher Debt Rating shall apply; and (c) if the Borrower has no Debt Rating from S&P or no Debt Rating from Moody’s, the Applicable Rate shall be deemed to be Pricing Level 5.

Initially the Debt Rating Spread shall be determined based upon Pricing Level 4. Thereafter, each change in the Debt Rating Spread resulting from a publicly announced change in the Debt Rating shall be effective during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the date of the next such change.

“Declined Amount” has the meaning set forth in Section 2.11(h).

“Declining Lender” has the meaning set forth in Section 2.11(h).

“Default” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both (as provided for in Section 8.01) would, unless cured or waived, become an Event of Default.

“Defaulting Lender” means any Lender that has: (a) failed to fund any portion of its Loans or participations in Letters of Credit or Swingline Loans within two (2) Business Days of the date required to be funded by it hereunder unless such Lender notifies the Administrative

Agent, the Borrower, the Issuing Banks and the Swingline Lender in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (b) notified a Borrower, the Administrative Agent, the Issuing Banks, the Swingline Lender or any Lender in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or generally under other agreements in which it commits to extend credit (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) failed, within two (2) Business Days after request by the Administrative Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Loans and participations in then outstanding Letters of Credit and Swingline Loans; provided that any Lender that has failed to give such timely confirmation shall cease to be a Defaulting Lender under this clause (c) immediately upon the delivery of such confirmation, (d) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within two (2) Business Days of the date when due, unless the subject of a good faith dispute, or (e) (i) become or is insolvent or has a parent company that has become or is insolvent, (ii) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interests in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate disavow or disaffirm any contracts or agreements made with such Lender or (iii) become the subject of a Bail-In Action.

"Deposit Obligations" means all obligations, indebtedness, and liabilities of any member of the Group, or any one of them, to any Lender or any Affiliate of any Lender which have been designated by the Parent Borrower by written notice to the Administrative Agent as entitled to the security of the Collateral and which arise pursuant to any treasury, purchasing card, deposit, lock box, commercial credit card, stored value card, employee credit card program, controlled disbursement, ACH transactions, return items, interstate deposit network services, dealer incentive, supplier finance or similar programs, Society for Worldwide Interbank Financial Telecommunication transfer, cash pooling, operation foreign exchange management or cash management services or arrangements (including in connection with any automated clearing house transfers of funds or any similar transactions between the Parent Borrower or any

Restricted Subsidiary and any Lender, Affiliate of a Lender, Issuing Bank or the Administrative Agent) entered into by such Lender or Affiliate with the Group, or any member of the Group, whether now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, including, without limitation, the obligation, indebtedness, and liabilities of the Group, or any one of them, to repay any credit extended in connection with such arrangements, interest thereon, and all fees, costs, and expenses (including reasonable attorneys' fees and expenses) provided for in the documentation executed in connection therewith.

“Designated Equity Contribution” has the meaning set forth in Section 8.02(a).

“Designated Loans” has the meaning set forth in Section 2.06(c).

“Designating Lender” has the meaning set forth in Section 2.06(c).

“Designated Non-Cash Consideration” means the fair market value (as determined by the Parent Borrower in good faith) of non-Cash consideration received by the Parent Borrower or a Restricted Subsidiary in connection with a Disposition pursuant to Section 6.05(m) that is designated as Designated Non-Cash Consideration pursuant to a certificate of a Responsible Officer of the Parent Borrower, setting forth the basis of such valuation (which amount will be reduced by the amount of cash or Cash Equivalents received in connection with a subsequent sale or conversion of such Designated Non-Cash Consideration to cash or Cash Equivalents).

“Disclosed Matters” means the actions, suits and proceedings and other matters disclosed (i) in the Parent Borrower's Report on Form 10-K filed with the SEC for the annual period ending June 30, 2017, (ii) in the Parent Borrower's Report on Form 10-Q filed with the SEC for the quarterly period ending September 30, 2017, (iii) in the Parent Borrower's Report on Form 10-Q filed with the SEC for the quarterly period ending December 31, 2017 and (iv) as disclosed on Schedule 3.06(a).

“Disposition” has the meaning set forth in Section 6.05.

“Disqualified Equity Interests” means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interest into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligations or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends in cash or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interest that would constitute Disqualified Equity Interests, in each case, on or prior to the 91st day following the Term B Loan Maturity Date; provided that (i) any Equity Interests that would constitute Disqualified Equity Interests solely because the holders thereof have the right to require the Parent Borrower to repurchase such Disqualified Equity Interests upon the occurrence of a change of control or asset sale shall not constitute Disqualified Equity Interests if the terms of such Equity Interests (and all securities into which it is convertible or for which it is ratable or exchangeable) provide that the Parent Borrower may not repurchase or redeem any such Equity Interests (and all securities into which it is convertible or for which it is ratable or exchangeable)

pursuant to such provision unless the Loan Obligations are fully satisfied simultaneously therewith and (ii) only the portion of the Equity Interests meeting one of the foregoing clauses (a) through (d) prior to the date that is ninety-one (91) days after the Term B Loan Maturity Date will be deemed to be Disqualified Equity Interests. Notwithstanding the preceding sentence, (A) if such Equity Interest is issued pursuant to any plan for the benefit of directors, officers, employees, members of management, managers or consultants or by any such plan to such directors, officers, employees, members of management, managers or consultants, in each case in the ordinary course of business of the Parent Borrower or any Restricted Subsidiary, such Equity Interest shall not constitute Disqualified Equity Interests solely because it may be required to be repurchased by the issuer thereof in order to satisfy applicable statutory or regulatory obligations, and (B) no Equity Interest held by any future, present or former employee, director, officer, manager, member of management or consultant (or their respective Affiliates or immediate family members) of the Parent Borrower (or any Subsidiary) shall be considered Disqualified Equity Interests because such stock is redeemable or subject to repurchase pursuant to any management equity subscription agreement, stock option, stock appreciation right or other stock award agreement, stock ownership plan, put agreement, stockholder agreement or similar agreement that may be in effect from time to time.

“Disqualified Institution” means, as of any date, competitors of the Parent Borrower or any of its Subsidiaries that are in the same or a similar line of business as of such date and, in each case, identified in writing to the Administrative Agent at JPMDQ_Contact@jpmorgan.com or such other address provided by the Administrative Agent from time to time (each such entity, a “Competitor”) and Affiliates of Competitors to the extent such affiliates are clearly identifiable on the basis of such affiliates’ names or designated in writing by the Parent Borrower from time to time and to the extent such affiliates are not bona fide debt funds or investment vehicles that are engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business with appropriate information barriers in place; provided, however, that a list of Disqualified Institutions identified above shall be made available to all Lenders upon request by the Administrative Agent; provided, further that no such updates to the list (i) shall be deemed effective until the date that is three (3) Business Days after written notice thereof is received by the Administrative Agent and (ii) shall be deemed to retroactively disqualify any parties that have previously acquired an assignment or participation interest in respect of the Loans from continuing to hold or vote such previously acquired assignments and participations on the terms set forth herein for Lenders that are not Disqualified Institutions.

“Dollars” or “\$” refers to lawful money of the United States of America.

“Dollar Equivalent” means, at any date of determination, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any currency other than Dollars, the equivalent amount thereof in Dollars as determined by the Administrative Agent at such time on the basis of the Spot Rate in effect on such date for the purchase of Dollars with such currency. The Dollar Equivalent at any time of the amount of any Letter of Credit, LC Disbursement or Loan denominated in an Alternative Currency shall be the amount most recently determined as provided in Section 1.06.

“Domestic Subsidiary,” means any Subsidiary that is organized under the laws of any State of the United States of America or the District of Columbia.

“Dutch Borrower” means Coty B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands.

“EBITDA” means, for any period and any Person, the total of the following each calculated without duplication on a consolidated basis for such period:

- (a) Consolidated Net Income; plus
- (b) any provision for (or less any benefit from) income or franchise Taxes included in determining Consolidated Net Income; plus
- (c) interest expense (including the interest portion of Capital Lease Obligations) deducted in determining Consolidated Net Income; plus
- (d) amortization and depreciation expense deducted in determining Consolidated Net Income; plus
- (e) to the extent not disregarded in the calculation of Consolidated Net Income, non-cash charges; plus
- (f) the amount of any fee, cost, expense or reserve to the extent actually reimbursed or reimbursable by third parties pursuant to indemnification or reimbursement provisions or similar agreements or insurance; provided that, such Person in good faith expects to receive reimbursement for such fee, cost, expense or reserve within the next four fiscal quarters (it being understood that to the extent not actually received within such fiscal quarters, such reimbursement amounts shall be deducted in calculating EBITDA for such fiscal quarters); plus
- (g) the amount of any expense or deduction associated with any subsidiary of such Person attributable to non-controlling interests or minority interests of third parties; plus
- (h) the amount of loss on sales of receivables and related assets to the Parent Borrower or any Restricted Subsidiary in connection with a permitted receivables financing; plus
- (i) proceeds of business interruption insurance in an amount representing the earnings for the applicable period that such proceeds are intended to replace (whether or not received so long as such Person in good faith expects to receive the same within the next four fiscal quarters (it being understood that to the extent not actually received within such fiscal quarters, such proceeds shall be deducted in calculating EBITDA for such fiscal quarters)); plus
- (j) any earn-out obligation and contingent consideration obligations (including adjustments thereof and purchase price adjustments) incurred in connection with any Investment made in compliance with Section 6.04 or any Investment consummated prior to the Restatement Effective Date, which is paid or accrued during such period.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 10.04(b) (subject to receipt of such consents, if any, as may be required for the assignment of the applicable Loans and/or Commitments to such Person under Section 10.04(b)); provided that in any event, “Eligible Assignee” shall not include (i) any natural person or (ii) any Disqualified Institution.

“EMU” means the Economic and Monetary Union of the European Union.

“EMU Legislation” means the legislative measures of the European Union relating to the EMU.

“Environmental Laws” means all laws (including common law), rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices, binding agreements or other legally enforceable requirements issued, promulgated or entered into by any Governmental Authority, regulating, relating in any way to or imposing standards of conduct concerning the environment, preservation or reclamation of natural resources, health and safety as it relates to environmental protection or to Hazardous Materials in products and associated labeling or packaging content restrictions relating to environmental attributes.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of any Person resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) the release of any Hazardous Materials into the environment or (d) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means shares of the capital stock, partnership interests, membership interest in a limited liability company, beneficial interests in a trust or other equity interests or any warrants, options or other rights to acquire such interests but excluding any debt securities convertible into such Equity Interests.

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

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with a Loan Party, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any Reportable Event; (b) the existence with respect to any Plan of a non-exempt Prohibited Transaction; (c) any failure by any Pension Plan to satisfy the minimum funding standards (within the meaning of Sections 412 or 430 of the Code or Sections 302 or 303 of ERISA) applicable to such Pension Plan, whether or not waived; (d) the filing pursuant to Section 412(c) of the Code or Section 302(c) of ERISA of an application for a waiver of the minimum funding standards with respect to any Pension Plan or the failure by any Loan

Party or any of its ERISA Affiliates to make by its due date a required installment under Section 430(j) of the Code with respect to any Pension Plan; (e) the incurrence by any Loan Party or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Pension Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Pension Plan; (f) a determination that any Pension Plan is, or is reasonably expected to be, in "at-risk" status (within the meaning of Section 430 of the Code or Section 303 of ERISA); (g) the receipt by any Loan Party or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to an intention to terminate any Pension Plan or to appoint a trustee to administer any Pension Plan under Section 4042 of ERISA; (h) the incurrence by any Loan Party or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Pension Plan or Multiemployer Plan; (i) the failure by any Loan Party or any of its ERISA Affiliates to make any required contribution to a Multiemployer Plan; (j) the receipt by any Loan Party or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from a Loan Party or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, Insolvent or in endangered or critical status (within the meaning of Section 432 of the Code or Section 305 of ERISA) or (k) with respect to any Foreign Benefit Plan, (A) the failure to make or remit any employer or employee contributions required by applicable Law or by the terms of such Foreign Benefit Plan; (B) the failure to register or loss of registration in good standing with applicable regulatory authorities of any such Foreign Benefit Plan required to be registered; or (C) the failure of such Foreign Benefit Plan to comply with any material provisions of applicable Law or regulations or with the material terms of such Foreign Benefit Plan.

"Escrow Debt" means Indebtedness incurred in connection with any transaction permitted hereunder for so long as proceeds thereof have been deposited into an escrow account on customary terms to secure such Indebtedness pending the application of such proceeds to finance such transaction.

"Euro" or "€" means the single currency of the Participating Member States introduced in accordance with the EMU Legislation.

"EURIBOR Rate" means, with respect to any Term Benchmark Borrowing denominated in Euros and for any Interest Period, the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed on page EURIBOR01 of the Reuters screen (the "EURIBOR Screen Rate").

"Eurocurrency", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted EURIBOR Rate.

"Event of Default" has the meaning set forth in Section 8.01.

"Excess Cash Flow" means, for any period, the sum (without duplication) of:

(a) Consolidated Net Income of the Parent Borrower and the Restricted Subsidiaries; minus

(b) the sum of the following: (i) an amount equal to the amount of all non-cash gains or credits included in arriving at Consolidated Net Income; (ii) mandatory prepayments pursuant to Section 2.11(c) (in each case, to the extent such proceeds increased Excess Cash Flow); (iii) the principal portion of required and voluntary repayments of Indebtedness (other than voluntary repayments on the Loans); (iv) cash used for Capital Expenditures, acquisitions and other permitted Investments except to the extent financed with long-term Indebtedness (other than revolving indebtedness); (v) all Restricted Payments due in respect of that period (whether or not paid) made under the permissions of Section 6.07 (other than (x) Restricted Payments made in reliance on the Available Amount (except if funded with amounts set forth under clause (b) of “Available Amount” generated during such fiscal year) and (y) solely to the extent paid to the Parent Borrower or one of its Restricted Subsidiaries) and, in each case, except to the extent financed with long-term indebtedness (other than revolving indebtedness); (vi) cash payments by the Parent Borrower and its Restricted Subsidiaries during such period in respect of long-term liabilities of the Parent Borrower and its Restricted Subsidiaries other than Indebtedness; (vii) the aggregate amount of expenditures actually made by the Parent Borrower and its Restricted Subsidiaries in cash during such period (including expenditures for the payment of financing fees and pension contributions) to the extent that such expenditures are not expensed or deducted (or exceed the amount expensed or deducted) during such period; (viii) the amount of cash taxes paid or payable in such period to the extent they exceed the amount of tax expense deducted in determining Consolidated Net Income for such period; (ix) an amount equal to all expenses, charges and losses excluded in calculating Consolidated Net Income, in each case, to the extent paid or payable in cash; (x) cash generated through the income of any Restricted Subsidiary (foreign or domestic) of any Borrower to the extent that the payment of such cash to the Loan Parties, whether by dividends or similar distributions, intercompany loan repayments or otherwise (1) is not at the time of calculation permitted by operation of any requirements of law applicable to that Restricted Subsidiary or (2) would at the time of calculation result in material adverse Tax consequences; provided, however, that to the extent such prohibition in clause (x)(1) or material adverse Tax consequences in clause (x)(2) does not exist at the time of any future calculation, any amounts deducted from Excess Cash Flow pursuant to clause (x)(1) or (x)(2), as applicable, which have not already been added to Excess Cash Flow pursuant to this proviso, shall be added to Excess Cash Flow at the time of such future calculation, (xi) an amount equal to all expenses, charges and losses excluded in calculating Consolidated Net Income, in each case, to the extent paid or payable in cash; and (xii) without duplication of amounts deducted from Excess Cash Flow in prior periods, at the option of the Borrowers, the aggregate consideration required to be paid in cash by the Borrowers or any of the Restricted Subsidiaries pursuant to binding contracts (the “Contract Consideration”) entered into prior to or during such period or otherwise budgeted to be paid in cash, in either case, relating to Investments, acquisitions, Capital Expenditures, capitalized software expenditures or acquisitions of intellectual property expected to be consummated or made during the period of four consecutive fiscal quarters of the Borrower following the end of such period; provided that, to the extent the aggregate amount of cash actually utilized to finance such Investments, acquisitions, Capital Expenditures, capitalized software expenditures or acquisitions of intellectual property during

such period of four consecutive fiscal quarters is (x) less than the Contract Consideration or amount otherwise budgeted for or (y) is financed with long-term indebtedness (other than revolving indebtedness), the amount of such shortfall or such indebtedness, as applicable, shall be added to the calculation of Excess Cash Flow at the end of such period of four consecutive fiscal quarters.

“Excluded Accounts” has the meaning given to such term in the Security Agreement.

“Excluded Assets” means:

- (a) (x) any fee owned real property and (y) any real property leasehold rights and interests;
- (b) motor vehicles, aircraft and other assets subject to certificates of title;
- (c) commercial tort claims that, in the reasonable determination of the Parent Borrower, are not expected to result in a judgment in excess of \$10,000,000;
- (d) letter of credit rights (other than to the extent consisting of supporting obligations that can be perfected solely by the filing of a Uniform Commercial Code financing statement (it being understood that no actions shall be required to perfect a security interest in letter of credit rights other than filing of a Uniform Commercial Code financing statement));
- (e) any governmental licenses or state or local franchises, charters and authorizations, to the extent a security interest in any such license, franchise, charter or authorization is prohibited or restricted thereby (excluding any prohibition or restriction that is ineffective under the Uniform Commercial Code);
- (f) assets to the extent the pledge thereof or grant of security interests therein (x) is prohibited or restricted by applicable Law, rule or regulation, (y) would cause the destruction, invalidation or abandonment of such asset under applicable Law, rule or regulation, or (z) requires any consent, approval, license or other authorization of any third party or Governmental Authority (excluding any prohibition or restriction that is ineffective under the Uniform Commercial Code);
- (g) Excluded Equity Interest;
- (h) Excluded Accounts;
- (i) any lease, license or agreement, or any property subject to a purchase money security interest, capital lease obligation or similar arrangement, in each case to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement or purchase money or similar arrangement or create a right of termination in favor of any other party thereto (other than any Borrower or a Restricted Subsidiary) or otherwise require consent thereunder (other than from Parent Borrower or a Restricted Subsidiary) after giving effect to the applicable anti-assignment provisions of the Uniform Commercial Code, other than proceeds and

receivables thereof, the assignment of which is expressly deemed effective under the Uniform Commercial Code notwithstanding such prohibition;

(j) any assets to the extent a security interest in such assets would result in material adverse Tax consequences as reasonably determined by the Parent Borrower;

(k) any intent-to-use application trademark application prior to the filing, and acceptance by the U.S. Patent and Trademark Office, of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark application under applicable federal law;

(l) assets where the cost of obtaining a security interest therein is excessive in relation to the practical benefit to the Lenders afforded thereby as reasonably determined between the Parent Borrower and the Administrative Agent; and

(m) any acquired property (including property acquired through acquisition or merger of another entity) if at the time of such acquisition the granting of a security interest therein or the pledge thereof is prohibited by any contract or other agreement (in each case, not created in contemplation thereof) to the extent and for so long as such contract or other agreement prohibits such security interest or pledge (excluding any prohibition or restriction that is ineffective under the Uniform Commercial Code).

"Excluded Contribution" means the Net Proceeds actually received in cash by the Parent Borrower from and after the Restatement Effective Date to such date from any capital contributions to, or the sale of Equity Interests of, the Parent Borrower (other than (a) Disqualified Equity Interests, (b) Equity Interests issued or sold to a Restricted Subsidiary or an employee stock ownership plan or similar trust to the extent such sale to an employee stock ownership plan or similar trust is financed by loans from or Guaranteed by the Parent Borrower or any Restricted Subsidiary unless such loans have been repaid with cash on or prior to the date of determination, (c) Equity Interests the Net Proceeds of which are used to repay long-term Indebtedness for borrowed money (other than revolving loans), (d) Specified Equity Contributions and (e) amounts that have previously been (or are simultaneously being) applied to the Available Amount).

"Excluded Equity Interest" means (A) margin stock, (B) Equity Interests of any Person other than any Borrower or any wholly owned Material Subsidiary that is a Restricted Subsidiary directly owned by a Borrower or any Subsidiary Loan Party (other than any Equity Interests in King Kylie, LLC, a Delaware limited liability company, owned by any Loan Party), (C) Equity Interests of any Material Subsidiary that is a wholly owned Foreign Subsidiary or CFC Holdco directly owned by a Borrower or any Subsidiary Party in excess of 65% of such Material Subsidiary's issued and outstanding Equity Interests, (D) any Equity Interest to the extent the pledge thereof would be prohibited by any Law or contractual obligation (excluding any prohibition or restriction that is ineffective under the Uniform Commercial Code), (E) any Equity Interests with respect to which the Parent Borrower and the Administrative Agent have reasonably determined that the cost or other consequences (including material adverse Tax

consequences) of pledging or perfecting a security interest in such Equity Interests are excessive in relation to the benefit to the Secured Parties of the security to be afforded thereby, (F) the Equity Interests of any Excluded Subsidiary (other than any Foreign Subsidiary or CFC Holdco), and (G) any other Equity Interests that otherwise constitute Excluded Assets.

“Excluded Subsidiary” means (a) any Subsidiary that is not a wholly owned Subsidiary of the Parent Borrower, (b) any Foreign Subsidiary, (c) any Domestic Subsidiary (i) that is a direct or indirect subsidiary of a Foreign Subsidiary or CFC Holdco or (ii) that is a CFC Holdco, (d) any Subsidiary, including any regulated entity that is subject to net worth or net capital or similar capital and surplus restrictions, that is prohibited or restricted by applicable Law, accounting policies or by contractual obligation existing on the Restatement Effective Date (or, with respect to any Subsidiary acquired by a Borrower or a Restricted Subsidiary after the Restatement Effective Date (and so long as such contractual obligation was not incurred in contemplation of such acquisition, on the date such Subsidiary is so acquired) from providing a Guaranty, or if such Guaranty would require governmental (including regulatory) or third party consent, approval, license or authorization, (e) any special purpose securitization vehicle (or similar entity), (f) any Captive Insurance Subsidiary, (g) any not for profit Subsidiary, (h) any Immaterial Subsidiary, (i) each Unrestricted Subsidiary, (j) any Restricted Subsidiary acquired with Indebtedness assumed pursuant to Section 6.01(g) to the extent such Restricted Subsidiary would be prohibited from providing the Guaranty, or consent would be required (that has not been obtained), pursuant to the terms of such Indebtedness, (k) any Subsidiary with respect to which the Guaranty would result in material adverse Tax consequences as reasonably determined by the Parent Borrower in consultation with the Administrative Agent and (l) any other Subsidiary with respect to which the Administrative Agent and the Parent Borrower reasonably agree that the burden or cost of providing the Guaranty shall outweigh the benefits to be obtained by the Lenders therefrom.

“Excluded Swap Obligation” means, with respect to any Loan Party, any obligation (a “Specified Swap Obligation”) to pay or perform under any agreement, contract, or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act, if, and to the extent that, all or a portion of the Guaranty of such Loan Party of, or the grant by such Loan Party of a security interest to secure, such Specified Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation, or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Loan Party’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act at the time the Guaranty of such Loan Party, or a grant by such Loan Party of a security interest, becomes effective with respect to such Specified Swap Obligation. If a Specified Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Specified Swap Obligation that is attributable to swaps for which such Guaranty or security interest becomes illegal.

“Excluded Taxes” means, with respect to any Agent, any Lender, any Issuing Bank or any other recipient of any payment to be made by or on account of any obligation of the Loan Parties hereunder, (a) Taxes imposed on or measured by net income (however denominated),

franchise Taxes or similar Taxes imposed by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in which it is otherwise doing business, or in which it had a present or former connection (other than such connection arising solely from any Secured Party having executed, delivered, or performed its obligations or received a payment under, or enforced, any Loan Document) or, in the case of any Lender, in which its applicable lending office is located, (b) any branch profits Taxes imposed by the United States of America or any similar Tax imposed by any other jurisdiction in which a Borrower is located, (c) in the case of a Foreign Lender (other than an assignee pursuant to a request by a Borrower under [Section 2.19\(b\)](#)), any United States withholding Tax that is imposed on amounts payable to or for the account of such Foreign Lender pursuant to a law in effect on the date on which such Foreign Lender becomes a party to this Agreement (or designates a new lending office), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from a Borrower with respect to such withholding Tax pursuant to [Section 2.17\(a\)](#), (d) in the case of a non-Foreign Lender (other than an assignee pursuant to a request by a Borrower under [Section 2.19\(b\)](#)), any United States backup withholding Tax that is imposed on accounts payable to such non-Foreign Lender at the time such non-Foreign Lender becomes a party to this Agreement, (e) Taxes attributable to a failure to comply with [Section 2.17\(f\)](#), (f) any withholding Taxes imposed under FATCA and (g) all liabilities, penalties and interest with respect to any of the foregoing.

“[Existing Credit Agreements](#)” has the meaning set forth in the recitals hereto.

“[Existing Indebtedness Refinancing](#)” means the repayment in full of all obligations (other than contingent obligations) outstanding under the Existing Coty Credit Agreement and the Existing Galleria Credit Agreement and, with respect to the Existing Galleria Credit Agreement, the termination and release of all liens and guarantees with respect to such obligations.

“[Existing L/C Issuer](#)” means JPMorgan Chase Bank, N.A., in its capacity as issuer of the Existing Letters of Credit.

“[Existing Letters of Credit](#)” means those certain letters of credit issued in connection with and/or outstanding under the Existing Credit Agreements and outstanding on the Restatement Effective Date and listed on Schedule 1.01 hereto.

“[Extended Revolving Commitments](#)” has the meaning set forth in [Section 2.24\(b\)](#).

“[Extended Term Loans](#)” has the meaning set forth in [Section 2.24\(a\)](#).

“[Extending Revolving Lender](#)” has the meaning set forth in [Section 2.24\(c\)](#).

“[Extending Term Lender](#)” has the meaning set forth in [Section 2.24\(c\)](#).

“[Extension](#)” means the establishment of an Extension Series by amending a Loan pursuant to [Section 2.24](#) and the applicable Extension Amendment.

“Extension Amendment” has the meaning set forth in Section 2.24(d).

“Extension Election” has the meaning set forth in Section 2.24(c).

“Extension Request” means any Term Loan Extension Request or a Revolver Extension Request, as the case may be.

“Extension Series” means any Term Loan Extension Series or a Revolver Extension Series, as the case may be.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

“FCA” as defined in Section 1.10.

“FCPA” has the meaning set forth in the definition of Anti-Corruption Laws.

“Federal Funds Effective Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System 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, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it.

“Fee Letters” means any Fee Letter in connection with the Transactions dated on or prior to the Restatement Effective Date among the Parent Borrower and the Arrangers.

“Financial Covenant” means the covenant set forth in Section 7.01.

“Financial Covenant Event of Default” has the meaning set forth in clause (d) of Section 8.01.

“Financial Officer” means the chief financial officer, executive vice president of finance and administration, principal accounting officer, treasurer or controller of, unless otherwise noted, the Parent Borrower (or any other officer acting in substantially the same capacity of the foregoing).

“First Lien Net Leverage Ratio” means, as of any date of determination, the ratio of (a) Total Indebtedness secured by a Lien on any asset or property of the Borrowers or any other Loan Party that is not subordinated to the Liens securing the Obligations minus unrestricted cash

and Cash Equivalents of the Parent Borrower and its Restricted Subsidiaries as determined in accordance with GAAP to (b) Adjusted EBITDA for the most recently ended Test Period.

“Fixed Amounts” has the meaning set forth in Section 1.03.

“Fixed Incremental Amount” has the meaning set forth in the definition of “Incremental Amount.”

“Foreign Benefit Plan” means each employee benefit plan (within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA) that is not subject to United States law and is sponsored, maintained or contributed to by any Loan Party or any ERISA Affiliate.

“Foreign Currency Letter of Credit” means any Letter of Credit denominated in an Alternative Currency.

“Foreign Lender” means any Lender that is organized under the laws of a jurisdiction other than the United States of America, any state thereof or the District of Columbia.

“Foreign Subsidiary” means any Subsidiary that is not a Domestic Subsidiary.

“GAAP” means generally accepted accounting principles in the United States of America.

“Global Intercompany Note” means the Intercompany Note, dated as of October 27, 2015, executed by the Borrowers and each Restricted Subsidiary, as amended, restated, supplemented or otherwise modified from time to time.

“Governmental Authority” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank, commission, tribunal, department, supra-national body or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Group” means the Parent Borrower and the Restricted Subsidiaries.

“Guarantee” of or by any Person means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other monetary obligation (including any monetary obligations under an operating lease) of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other monetary obligation (including any monetary obligations under an operating lease) of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other monetary obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Guarantee shall be deemed to be

an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

“Guarantor” means (x) on the Restatement Effective Date, each Restricted Subsidiary of the Parent Borrower (other than any such Restricted Subsidiary that is an Excluded Subsidiary on the Restatement Effective Date) and (y) thereafter, each Restricted Subsidiary of the Parent Borrower that becomes a guarantor of the Obligations pursuant to the terms of this Agreement, in each case, until such time as the relevant Restricted Subsidiary is released from its obligations under the Guaranty in accordance with the terms and provisions hereof and the other Loan Documents. For avoidance of doubt, the Parent Borrower may, in its sole discretion, cause any Restricted Subsidiary that is a Domestic Subsidiary that is not required to be a Guarantor to Guarantee the Obligations by causing such Restricted Subsidiary to execute a joinder to the Guaranty (substantially in the form provided therein), and any such Restricted Subsidiary that is a Domestic Subsidiary shall be a Guarantor hereunder for all purposes.

“Guaranty” means (a) the guaranty dated as of October 27, 2015 (as amended, restated, supplemented or otherwise modified from time to time), made by the Guarantors in favor of the Administrative Agent on behalf of the Secured Parties and (b) each other guaranty agreement and guaranty supplement delivered pursuant to Section 5.10 in substantially the form attached to the Guaranty or another form that is otherwise reasonably satisfactory to the Administrative Agent and the Parent Borrower.

“Hazardous Materials” means any material, substance or waste that could give rise to liability under, or classified, characterized or regulated as “hazardous”, “toxic”, “radioactive” or a “pollutant” or contaminant under, Environmental Laws, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, and infectious or medical wastes.

“Immaterial Subsidiary” means, any Restricted Subsidiary of the Parent Borrower (other than any Additional Borrower), that for the most recently ended Test Period prior to such date, (a) the revenue thereof does not exceed 5% of the revenue of the Parent Borrower and its Restricted Subsidiaries and (b) the gross assets thereof (after eliminating intercompany obligations) does not exceed 5% or more of the Total Assets; provided, further, that for the most recently ended Test Period prior to such date, the combined (a) revenue of all Immaterial Subsidiaries shall not exceed 7.5% or more of the revenue of the Parent Borrower and its Restricted Subsidiaries or (b) gross assets of all Immaterial Subsidiaries (after eliminating intercompany obligations) shall not exceed 7.5% or more of the Total Assets.

“Increased Amount Date” has the meaning set forth in Section 2.20(a).

“Incremental Amount” means, at any time, (a) \$1,700,000,000 plus (b) the aggregate principal amount of the sum of (i) voluntary prepayments of Term Loans and Incremental Equivalent Debt (in the case of any voluntary prepayments of Incremental Equivalent Debt in the form of revolving debt, to the extent accompanied by a reduction in the commitments in respect thereof), (ii) permanent reductions of the Revolving Commitments or commitments in respect of any Incremental Equivalent Debt that is a revolving facility and (iii) the cash consideration paid in connection with any purchases of any Loans outstanding hereunder pursuant to Section

2.19(c) or Section 10.04(e), from time to time, in each case, by a Purchasing Borrower Party, except in the cause of this clause (b), to the extent (x) such prepayments were funded with the proceeds of long-term Indebtedness (other than revolving indebtedness) or (y) such Term Loans or Incremental Equivalent Debt were incurred pursuant to the Ratio Incremental Amount (together with clause (a), the “Fixed Incremental Amount”, which shall be reduced by previously used amounts of the Fixed Incremental Amount for Incremental Facilities and Incremental Equivalent Debt) plus (c) additional amounts if, after giving effect to the incurrence of any Incremental Facilities (which for this purpose will be deemed to include the full amount of any Incremental Revolving Facility assuming the full amount of such increase had been drawn and/or the full amount of such facility was drawn but excluding the cash proceeds thereof for the purposes of calculating such ratio) the Parent Borrower is in compliance, on a Pro Forma Basis, with a First Lien Net Leverage Ratio of not more than 3.00:1.00 (the “Ratio Incremental Amount”) as of the end of the most recent Test Period; provided that for purposes of clause (c), if the proceeds of the relevant Incremental Facility will be applied to finance a Limited Condition Transaction, the Ratio Incremental Amount will be determined in accordance with Section 1.03; provided, further, that if the Parent Borrower incurs Indebtedness under an Incremental Facility using the Fixed Incremental Amount on the same date that it incurs Indebtedness using the Ratio Incremental Amount, the First Lien Net Leverage Ratio will be calculated without regard to any incurrence of Indebtedness under the Fixed Incremental Amount. It is understood and agreed that if the applicable incurrence test is satisfied on a Pro Forma Basis after giving effect to any Incremental Facility or Incremental Equivalent Debt *in lieu* thereof, such Incremental Facility or Incremental Equivalent Debt, as applicable, may be incurred under the Ratio Incremental Amount regardless of whether there is capacity under the Fixed Incremental Amount.

“Incremental Assumption Agreement” means an Incremental Assumption Agreement in form and substance reasonably satisfactory to the Administrative Agent and the Parent Borrower, among the Borrowers, the Administrative Agent and one or more Incremental Term Lenders and/or Incremental Revolving Lenders.

“Incremental Equivalent Debt” has the meaning set forth in Section 6.01(y).

“Incremental Facility” means any facility established by the Lenders pursuant to Section 2.20.

“Incremental Facility Activation Notice” means a notice substantially in the form of Exhibit C.

“Incremental Revolving Commitment” means the Revolving Commitment, or if applicable, additional revolving commitments under this Agreement, of any Lender, established pursuant to Section 2.20, to make Incremental Revolving Loans (and other revolving credit exposure available) to a Borrower.

“Incremental Revolving Lender” means a Lender with an Incremental Revolving Commitment or an outstanding Incremental Revolving Loan.

“Incremental Revolving Loans” means the Revolving Loans made by one or more Lenders to a Borrower pursuant to Section 2.20.

“Incremental Term Lender” means each Lender which holds an Incremental Term Loan.

“Incremental Term Loans” means the Term Loans made by one or more Lenders to a Borrower pursuant to Section 2.20.

“Incurrence-Based Amounts” has the meaning set forth in Section 1.03.

“Indebtedness” of any Person means, without duplication, (a) all obligations of such Person for borrowed money; (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments; (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person; (d) all obligations of such Person in respect of the deferred purchase price of property (excluding (i) trade payables, (ii) any earn-out obligation until such obligation becomes a liability on the balance sheet of such Person in accordance with GAAP, (iii) expenses accrued in the ordinary course of business and (iv) obligations resulting from take-or-pay contracts entered into in the ordinary course of business) which purchase price is due more than six (6) months after the date of placing such property in service or taking delivery of title thereto; (e) all Indebtedness of others secured by any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed; provided that the amount of such Indebtedness will be the lesser of (i) the fair market value of such asset as determined by such Person in good faith on the date of determination and (ii) the amount of such Indebtedness of other Persons; (f) all Capital Lease Obligations of such Person; (g) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit, bankers’ acceptances or other similar instruments; (h) all obligations of such Person in respect of mandatory redemption or cash mandatory dividend rights on Disqualified Equity Interests; (i) all obligations of such Person under any Swap Agreement; (j) to the extent not otherwise included, Indebtedness or other similar obligations (including, if applicable, net investment amounts) pursuant to any Permitted Receivables Facility; and (k) all Guarantees by such Person in respect of the foregoing clauses (a) through (j); provided that, solely for purposes of determining compliance with Section 7.01, Indebtedness shall not include Escrow Debt until such time as the proceeds of such Escrow Debt have been released from the applicable escrow account. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor. The amount of the obligations of the Parent Borrower or any Subsidiary in respect of any Swap Agreement shall, at any time of determination and for all purposes under this Agreement, be the maximum aggregate amount (giving effect to any netting agreements) that the Parent Borrower or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time giving effect to current market conditions notwithstanding any contrary treatment in accordance with GAAP. For purposes of clarity and avoidance of doubt, any joint and several Tax liabilities arising by operation of consolidated return, fiscal unity or similar provisions of applicable Law shall not constitute Indebtedness for purposes hereof.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by, or on account of any obligation of, any Loan Party under any Loan Document and (b) to the extent not otherwise described in subsection (a), Other Taxes.

“Indemnities” has the meaning set forth in Section 10.03(b).

“Insolvent” with respect to any Multiemployer Plan, means the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

“Interest Election Request” means a request by the applicable Borrower to convert or continue a Revolving Borrowing or Term Borrowing in accordance with Section 2.07.

“Interest Payment Date” means (a) with respect to any ABR Loan (other than a Swingline Loan), the last day of each March, June, September and December, (b) with respect to any Term Benchmark Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term Benchmark Borrowing with an Interest Period of more than three (3) months’ duration, each day prior to the last day of such Interest Period that occurs at intervals of three (3) months’ duration after the first day of such Interest Period, and (c) with respect to any Swingline Loan, the day that such Loan is required to be repaid.

“Interest Period” means with respect to any Term Benchmark Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one (1), three (3) or six (6) months thereafter (in each case, subject to the availability for the Benchmark applicable to the relevant Loan or Commitment for any Alternative Currency), as the applicable Borrower may elect or twelve (12) months if requested by the applicable Borrower and consented to by all applicable Lenders, 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 and (iii) no tenor that has been removed from this definition pursuant to Section 2.14(e) shall be available for specification in any Borrowing Request or Interest Election Request. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Investment” has the meaning set forth in Section 6.04.

“Investment Grade Rating” means a rating equal to or higher than Baa3 (or the equivalent) by Moody’s and equal to or higher than BBB- (or the equivalent) by S&P or, if the applicable instrument is not then rated by Moody’s or S&P, an equivalent rating by any other rating agency.

“ISDA Definitions” means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“ISP” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

“Issuing Bank” means (x) all Revolving Lenders and, with respect to any Revolving Lender in its capacity as an issuer of Letters of Credit hereunder, such Revolving Lender’s successors in such capacity as provided in Section 2.05(i) and (y) with respect to the Existing Letters of Credit, the Existing L/C Issuer. Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Bank. In the event an Affiliate or other Revolving Lender issues a Letter of Credit hereunder under the terms of the foregoing sentence, the term “Issuing Bank” shall include any such Affiliate or Revolving Lender with respect to Letters of Credit issued by such Affiliate or Revolving Lender, as applicable. Notwithstanding the foregoing, no Issuing Bank shall be required to issue Letters of Credit if after giving effect thereto, such Issuing Bank’s Revolving Exposure would exceed its Revolving Commitment.

“JAB Affiliate” means (i) any JAB Entity and (ii) any Person that (a) is organized by a JAB Entity or an Affiliate of a JAB Entity, and (b), directly or indirectly, is Controlled by the JAB Entities, but excluding any operating portfolio companies of the foregoing.

“JAB Entity” means each of JAB Holding Company S.a.r.l and JAB Consumer Fund SCA SICAR.

“Junior Indebtedness” means Refinancing Loans that are secured by the Collateral on a basis that is junior to the Liens securing the Obligations, any other contractually subordinated junior lien Indebtedness and any Indebtedness of the Parent Borrower or any Restricted Subsidiary that is by its terms subordinated or required to be subordinated in right of payment to any of the Obligations.

“Junior Indebtedness Documents” means the documentation governing any Junior Indebtedness.

“Latest Maturity Date” means, as of any date of determination, the latest maturity or expiration date applicable to any Loan or commitment hereunder at such time, including the latest maturity or expiration date of any then existing Term Loan, Incremental Term Loan, Specified Refinancing Term Loan, Extended Term Loan, Revolving Commitment, Incremental Revolving Commitment, Specified Refinancing Revolving Commitment, Extended Revolving Commitment, Refinancing Note or Refinancing Loan.

“Laws” means, 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.

“LC Disbursement” means a payment made by any Issuing Bank pursuant to a Letter of Credit.

“LC Exposure” means, at any time, the sum of (a) the Dollar Equivalent of the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the Dollar Equivalent of the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on

behalf of the Borrowers at such time. The LC Exposure of any Revolving Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

“LC Obligations” means, at any time, with respect to any Issuing Bank, the sum of (a) the Dollar Equivalent of the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the Dollar Equivalent of the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrowers, issued by any Issuing Bank.

“LCT Election” has the meaning set forth in Section 1.03.

“LCT Test Date” has the meaning set forth in Section 1.03.

“Lender Presentation” means the Lender Presentation, dated as of March 20, 2018 relating to the Parent Borrower and the transactions contemplated hereby.

“Lenders” means (a) for all purposes, the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to an Incremental Assumption Agreement or an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption or otherwise and (b) for purposes of the definitions of “Swap Obligations”, “Deposit Obligations” and “Secured Parties” only, shall include any Person who was a Lender or an Affiliate of a Lender at the time such Person entered into a Swap Obligation or Deposit Obligation with any Loan Party or any Restricted Subsidiary, and any Person who became a Lender or an Affiliate of a Lender on the Restatement Effective Date and had outstanding Swap Obligations or Deposit Obligations on the Restatement Effective Date with any Loan Party or any Restricted Subsidiary, in each case, even though, at a later time of determination, such Person or such Person’s Affiliate no longer holds any Commitments or Loans hereunder. Unless the context otherwise requires, the term “Lenders” includes the Swingline Lender. As a result of clause (b) of this definition, the Swap Obligations and Deposit Obligations owed to a Lender or its Affiliates shall continue to be “Swap Obligations” and “Deposit Obligations”, respectively, entitled to share in the benefits of the Collateral and each Guaranty as herein provided, even though such Lender or such Lender’s Affiliate ceases to be a party hereto pursuant to an Assignment and Assumption or otherwise.

“Letter of Credit” means (x) any letter of credit issued pursuant to this Agreement and (y) each Existing Letter of Credit.

“Letter of Credit Facility Amount” has the meaning set forth in Section 2.05(b).

“Lien” means any mortgage, pledge, security interest, encumbrance, hypothecation, lien or charge of any kind in the nature of security (including any conditional sale agreement, title retention agreement or lease in the nature thereof); provided that in no event shall an operating lease be deemed to constitute a Lien.

“Limited Condition Acquisition” means any acquisition or other permitted Investment in any assets, business or Person, in each case the consummation of which is not conditioned on the availability of, or on obtaining, third party financing.

“Limited Condition Transactions” means (a) any Limited Condition Acquisition and (b) any redemption, repurchase, defeasance, satisfaction and discharge or repayment of Indebtedness

requiring irrevocable notice in advance of such redemption, repurchase, defeasance, satisfaction and discharge or repayment.

“Loan Documents” means this Agreement, the Guaranty, the Security Documents that create or purport to create a Lien or Guarantee in favor of the Administrative Agent or the Collateral Agent for the benefit of the Secured Parties, any promissory note delivered pursuant to Section 2.09(e) and any other document or instrument designated by the Parent Borrower and the Administrative Agent as a “Loan Document.”

“Loan Modification” shall have the meaning specified in Section 10.02(b).

“Loan Obligations” means all obligations, indebtedness, and liabilities of the Loan Parties, or any one of them, to the Administrative Agent, the Collateral Agent and the Lenders arising pursuant to any of the Loan Documents, whether now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, including, without limitation, the obligation of the Loan Parties to repay the Loans and the LC Disbursements, interest on the Loans and LC Disbursements, and all fees, costs, and expenses (including reasonable attorneys’ fees and expenses) provided for in the Loan Documents.

“Loan Parties” means, collectively, the Borrowers and the Subsidiary Loan Parties.

“Loans” means the loans made by the Lenders to the Borrowers pursuant to this Agreement.

“Local Time” means, with respect to any extensions of credit hereunder denominated in Dollars, New York time and with respect to any extensions of credit hereunder denominated in any Alternative Currency, London time.

“Market Intercreditor Agreement” means an intercreditor agreement the terms of which are consistent with market terms governing security arrangements for the sharing of liens or arrangements relating to the distribution of payments, as applicable, at the time the intercreditor agreement is proposed to be established in light of the type of Indebtedness subject thereto.

“Material Acquisition” means any acquisition (including pursuant to a merger, consolidation, amalgamation or otherwise) (a) of at least a majority of the Equity Interests of a Person, all or substantially all of the assets of any other Person or all or substantially all of the assets of a division, line of business or branch of such Person (in each case, in one transaction or a series of transactions) and (b) involves the payment of consideration or assumption of Indebtedness by the Parent Borrower and its Restricted Subsidiaries in excess of \$350,000,000.

“Material Adverse Effect” means a material and adverse effect on (a) the business, assets, financial condition or results of operations of the Parent Borrower and its Restricted Subsidiaries, taken as a whole, (b) the rights of or remedies available to the Administrative Agent, the Collateral Agent or any of the Lenders, taken as a whole, under any Loan Document or (c) the ability of the Loan Parties (taken as a whole) to perform their payment obligations under the Loan Documents.

“Material Indebtedness” means Indebtedness (other than the Loans and Letters of Credit but including, without limitation, obligations calculated on a mark to market basis in respect of

one or more Swap Agreements) of any one or more of the Parent Borrower and the Restricted Subsidiaries in an aggregate principal amount exceeding the Threshold Amount.

“Material Subsidiary” means a Restricted Subsidiary that is not an Immaterial Subsidiary.

“Moody’s” means Moody’s Investors Service, Inc., or any successor to the rating agency business thereof.

“Multicurrency LC Exposure” means, at any time, the sum of (a) the Dollar Equivalent of the aggregate undrawn amount of all outstanding Letters of Credit denominated in Alternative Currencies at such time plus (b) the Dollar Equivalent of the aggregate amount of all LC Disbursements in respect of such Letters of Credit that have not yet been reimbursed by or on behalf of any of the Borrowers at such time. The Multicurrency LC Exposure of any Revolving Lender at any time shall be its USD/Multicurrency Applicable Percentage of the total Multicurrency LC Exposure at such time.

“Multicurrency Revolving Exposure” means, at any time, the sum of (a) the Dollar Equivalent of the principal amount of the Multicurrency Revolving Loans outstanding at such time and (b) the Multicurrency LC Exposure outstanding at such time.

“Multicurrency Revolving Loans” means the revolving loans made by Lenders holding USD/Multicurrency Revolving Commitments under Section 2.01.

“Multicurrency Revolving Sublimit” means (a) prior to the Revolver Refinancing Effective Date, \$2,750,000,000 and (b) on and after the Revolver Refinancing Effective Date, \$2,000,000,000.

“Multiemployer Plan” means any Plan that is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Net Proceeds” means, with respect to any Prepayment Event (or, for purposes of the Available Amount, the issuance of Equity Interests) (a) the cash proceeds received in respect of such event including (i) any cash received in respect of any non-cash proceeds, but only as and when received, (ii) in the case of a casualty, insurance proceeds, and (iii) in the case of a condemnation or similar event, condemnation awards and similar payments, net of (b) the sum of (i) all fees and out-of-pocket expenses (including underwriting discounts, investment banking fees, commissions, collection expenses and other customary transaction costs) paid or reasonably estimated to be payable by the Parent Borrower and the Restricted Subsidiaries in connection with such event, (ii) in the case of a Disposition of an asset (including pursuant to a sale and leaseback transaction or a casualty or a condemnation or similar proceeding), the principal amount, premium or penalty, if any, interest, breakage, costs and other amounts on any Indebtedness (other than (A) Indebtedness under the Loan Documents and (B) in the case of any Indebtedness permitted under Section 6.01 (other than the Loans) that is secured by the Collateral on an equal and ratable basis with the Obligations, any amounts in excess of the ratable portion (based on the then outstanding Term Loan Classes and any then outstanding other permitted Indebtedness that is secured by Collateral on an equal and ratable basis with the Obligations) of such other permitted Indebtedness) subject to mandatory prepayment as a result of such event, (iii) in the case of any Disposition, casualty, condemnation or similar event by a non-wholly owned Restricted Subsidiary, the pro-rata portion of the Net Proceeds thereof

(calculated without regard to this clause (iii)) attributable to minority interests and not available for distribution to or for the account of the Parent Borrower or a wholly owned Restricted Subsidiary as a result thereof, (iv) the amount of all Taxes paid (or reasonably estimated to be payable) by the Parent Borrower and the Restricted Subsidiaries, and (v) the amount of any reserves established by the Parent Borrower and the Restricted Subsidiaries to fund contingent liabilities reasonably estimated to be payable, in each case that are directly attributable to such event (as determined reasonably and in good faith by a Financial Officer of the Parent Borrower).

“Non-Consenting Lender” has the meaning set forth in Section 2.19(b).

“Non-Loan Party Cap” means the greater of \$300,000,000 and 18.0% of Adjusted EBITDA as of the last day of the most recently ended Test Period on or prior to the date of determination.

“Non-Loan Party Indebtedness” means Indebtedness incurred pursuant to Section 6.01(dd) by Restricted Subsidiaries that are not Loan Parties.

“Not Otherwise Applied” means, with reference to any amount of Net Proceeds of any transaction or event, that such amount (a) was not required to be applied to prepay the Loans pursuant to Section 2.11, and (b) was not previously (and is not concurrently being) applied in determining the permissibility of a transaction under the Loan Documents where such permissibility was or is (or may have been) contingent on receipt of such amount or utilization of such amount for a specified purpose.

“NYFRB” means the Federal Reserve Bank of New York.

“NYFRB’s Website” means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

“Obligations” means all Loan Obligations, the Swap Obligations and all Deposit Obligations.

“OFAC” has the meaning set forth in the definition of Sanctions.

“Original Transactions” shall have the meaning provided to “Transactions” in each of the Existing Credit Agreements.

“Other Taxes” means any and all present or future stamp or documentary Taxes or any other excise or property Taxes, charges or similar levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document including any interest, additions to Tax or penalties applicable thereto.

“Owner Group” means the collective reference to the JAB Entities and their JAB Affiliates.

“Parent Borrower” has the meaning set forth in the preamble hereto.

“Participant” has the meaning set forth in Section 10.04(c)(i).

“Participant Register” has the meaning set forth in Section 10.04(c)(ii).

“Participating Member State” means any member state of the European Union that has the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“Patriot Act” has the meaning set forth in Section 10.18.

“PBGC” means the Pension Benefit Guaranty Corporation.

“Pension Plan” means any Plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA.

“Perfection Requirements” means the filing of appropriate Uniform Commercial Code financing statements with the office of the Secretary of State of the state of organization of each Loan Party, the filing of appropriate assignments or notices with the U.S. Patent and Trademark Office and the U.S. Copyright Office, in each case in favor of the Collateral Agent for the benefit of the Secured Parties and the delivery to the Collateral Agent of any stock certificate or promissory note required to be delivered pursuant to the applicable Loan Documents, together with instruments of transfer executed in blank.

“Permitted Acquisition Debt” means Indebtedness incurred to finance a Permitted Acquisition or any other Investment permitted hereunder subject to the following conditions: (a) if such Permitted Acquisition Debt shall be secured by a security interest in the Collateral, such Indebtedness shall be subject to a Market Intercreditor Agreement reasonably satisfactory to the Administrative Agent and, if in the form of “Term B” loans secured on a *pari passu* basis with the Liens securing the Obligations, shall be subject to clause (vi) of Section 2.20(d) as if such Permitted Acquisition Debt constituted Incremental Term Loans; (b) no Permitted Acquisition Debt shall mature prior to the then applicable Latest Maturity Date or have a weighted average life to maturity that is less than the weighted average life to maturity of the Term Loans; (c) such Permitted Acquisition Debt shall have terms, including pricing (including interest, fees and premiums), optional prepayment and redemption terms, as may be agreed to by the Parent Borrower and the lenders party thereto, (d) except with respect to Permitted Acquisition Debt constituting Non-Loan Party Indebtedness, the Permitted Acquisition Debt may not have borrowers, issuers, guarantors or other obligors or security in any case more extensive than the Credit Facilities; (e) the terms and conditions including such financial maintenance covenants (if any) applicable to such Permitted Acquisition Debt (x) shall not be, when taken as a whole, materially more favorable (as determined in good faith by the board of directors of the Parent Borrower), to the holders of such Indebtedness than those applicable under this Agreement (except for covenants or other provisions (i) applicable only to periods after the Latest Maturity Date or (ii) that are also for the benefit of all other Lenders in respect of Loans and Commitments outstanding at the time such Permitted Acquisition Debt is incurred) or (y) shall be current market terms; (f) if such Permitted Acquisition Debt is incurred by a Loan Party and secured by the Collateral on a *pari passu* basis to the Credit Facilities, the First Lien Net Leverage Ratio would be no greater than the First Lien Net Leverage Ratio immediately prior to giving effect to such incurrence of Indebtedness on a pro forma basis determined in accordance with Section 1.03; (g) if such Permitted Acquisition Debt is incurred by a Loan Party and secured by the Collateral on a junior basis to the Credit Facilities the Secured Net Leverage Ratio would be no greater than the Secured Net Leverage Ratio immediately prior to giving effect to such

incurrence of Indebtedness on a Pro Forma Basis determined in accordance with Section 1.03; and (h) if such Permitted Acquisition Debt is (x) unsecured and incurred by a Loan Party or (y) incurred by a non-Loan Party, the Total Net Leverage Ratio would be no greater than the Total Net Leverage Ratio immediately prior to giving effect to such incurrence of Indebtedness on a Pro Forma Basis determined in accordance with Section 1.03; provided that in no case shall that Total Net Leverage Ratio exceed 5.50:1.00 after giving effect to such incurrence of such Permitted Acquisition Debt on a Pro Forma Basis determined in accordance with Section 1.03; provided, further, that clause (b) above shall not apply to any bridge facility on customary terms if the long-term indebtedness that such bridge facility is to be converted into satisfies the restrictions in such clause.

“Permitted Ratio Debt” means Indebtedness subject to the following conditions: (a) if such Permitted Ratio Debt shall be secured by a security interest in the Collateral, such Indebtedness shall be subject to a Market Intercreditor Agreement reasonably satisfactory to the Administrative Agent and, if in the form of “Term B” loans secured on a *pari passu* basis with the Liens securing the Obligations, shall be subject to clause (vi) of Section 2.20(d) as if such Permitted Ratio Debt constituted Incremental Term Loans; (b) no Permitted Ratio Debt shall mature prior to the then applicable Latest Maturity Date or have a weighted average life to maturity that is less than the weighted average life to maturity of the Term Loans; (c) such Permitted Ratio Debt shall have terms, including pricing (including interest, fees and premiums), optional prepayment and redemption terms as may be agreed to by the Parent Borrower and the lenders party thereto; (d) except with respect to Permitted Ratio Debt constituting Non-Loan Party Indebtedness, the Permitted Ratio Debt may not have borrowers, issuers, guarantors, obligors or security in any case more extensive than the Credit Facilities; (e) the terms and conditions including such financial maintenance covenants (if any) applicable to such Permitted Ratio Debt (x) shall not be, when taken as a whole, materially more favorable (as determined in good faith by the board of directors of the Parent Borrower), to the holders of such Indebtedness than those applicable under this Agreement (except for covenants or other provisions (i) applicable only to periods after the Latest Maturity Date or (ii) that are also for the benefit of all other Lenders in respect of Loans and Commitments outstanding at the time such Permitted Ratio Debt is incurred) or (y) shall be current market terms; (f) if such Indebtedness is incurred by a Loan Party and secured by the Collateral on a *pari passu* basis to the Credit Facilities, the *pro forma* First Lien Net Leverage Ratio is equal to or less than 3.00:1.00; (g) if such Indebtedness is incurred by a Loan Party and secured by the Collateral on a junior lien basis to the Credit Facilities, the Secured Net Leverage Ratio is equal or less than 4.75:1.00; and (h) if such Indebtedness is (x) incurred by a Loan Party and unsecured or (y) incurred by a non-Loan Party, the Total Net Leverage Ratio is equal to or less than 5.50:1.00, in each case, on a Pro Forma Basis; provided that, if the proceeds of the Permitted Ratio Debt will be applied to finance a Limited Condition Transaction, compliance with clauses (f)-(h) shall be determined in accordance with Section 1.03; provided, further, that clause (b) above shall not apply to any bridge facility on customary terms if the long-term indebtedness that such bridge facility is to be converted into satisfies the restrictions in such clause.

“Permitted Refinancing Indebtedness” means any Indebtedness issued in exchange for, or the net proceeds of which are used to refinance, replace, defease or refund (collectively, to “Refinance” or a “Refinancing”), the Indebtedness being Refinanced (or previous refinancings thereof constituting Permitted Refinancing Indebtedness); provided that (a) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so Refinanced (plus

unpaid accrued interest and premium thereon, any committed or undrawn amounts and underwriting discounts, fees, commissions and expenses, associated with such Permitted Refinancing Indebtedness), except as otherwise permitted under Section 6.01, (b) the final maturity date of such Permitted Refinancing Indebtedness is no earlier than the final maturity date of the Indebtedness being refinanced and the Permitted Refinancing Indebtedness shall not have a weighted average life to maturity that is less than the weighted average life to maturity of the Indebtedness being refinanced thereby, (c) if the original Indebtedness being Refinanced is by its terms subordinated in right of payment to the Obligations, such Permitted Refinancing Indebtedness shall be subordinated in right of payment to the Obligations on terms at least as favorable to the Lenders as those contained in the documentation governing the Indebtedness being Refinanced, taken as a whole (as determined by the Parent Borrower in good faith), (d) no Permitted Refinancing Indebtedness shall have obligors or contingent obligors that were not obligors or contingent obligors (or that would not have been required to become obligors or contingent obligors) in respect of the Indebtedness being Refinanced except to the extent permitted under Section 6.04 and (e) if the Indebtedness being Refinanced is (or would have been required to be) secured by any collateral of a Loan Party (whether equally and ratably with, or junior to, the Secured Parties or otherwise), such Permitted Refinancing Indebtedness may be secured by such collateral on terms no less favorable, taken as a whole, to the Secured Parties than those contained in the documentation governing the Indebtedness being Refinanced, taken as a whole (as determined by the Parent Borrower in good faith); provided, further, that clause (b) above shall not apply to any bridge facility on customary terms if the long-term indebtedness that such bridge facility is to be converted into satisfies the maturity restrictions in such clause.

“Permitted Receivables Facility” means any program for the transfer by the Parent Borrower or any of its Subsidiaries (other than the Receivables Subsidiary), to any buyer, purchaser or lender of interests in accounts receivable (including any Subsidiary of the Parent Borrower), so long as the aggregate outstanding principal amount of Indebtedness incurred pursuant to such program shall not exceed \$400,000,000 at any one time.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee benefit plan as defined in Section 3(3) of ERISA, including any employee welfare benefit plan (as defined in Section 3(1) of ERISA), any employee pension benefit plan (as defined in Section 3(2) of ERISA), and any plan which is both an employee welfare benefit plan and an employee pension benefit plan, and in respect of which any Loan Party or, with respect to Title IV of ERISA, Section 412 of the Code or Section 302 of ERISA only, any ERISA Affiliate, is (or, if such Plan were terminated, would under Section 4062 or Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Platform” means IntraLinks/IntraAgency, SyndTrak or another relevant website or other information platform.

“Prepayment Event” means:

(a) any Disposition (including pursuant to a sale and leaseback transaction) of any asset of the Parent Borrower or any Restricted Subsidiary made outside the ordinary course of business under Section 6.05(m) or (s); or

(b) any casualty or other damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any asset of the Parent Borrower or any Restricted Subsidiary;

“Prime Rate” means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate in effect at its principal office in New York City; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

“Prior Assets” means assets comprising a division or branch of the Parent Borrower or a Restricted Subsidiary disposed of in a transaction in accordance with this Agreement which would not make the seller a “Prior Company.”

“Prior Company” means any Restricted Subsidiary all of whose Equity Interests, or all or substantially all of whose assets have been disposed of, in a transaction in accordance with this Agreement.

“Prior Target” means all Targets acquired or whose assets have been acquired in a transaction permitted by Section 6.04.

“Pro Forma Basis”, “Pro Forma Compliance” or “Pro Forma Effect” means, with respect to any proposed Specified Transaction or other transaction requiring the calculation of a financial metric on a Pro Forma Basis, such financial metric calculated: (a) for the most recent four (4) fiscal quarter period then ended on a pro forma basis as if such Specified Transaction or other transaction as applicable, had occurred as of the first day of such period, (b) to include any Indebtedness incurred, assumed or repaid in connection therewith (assuming, to the extent such Indebtedness bears interest at a floating rate, the rate in effect at the time of calculation for the entire period of calculation) as if such indebtedness was incurred, assumed or repaid on the first day of such period, (c) based on the assumption that any sale of Subsidiaries or lines of business which occurred during such period occurred on the first day of such period, and (d) with respect to an acquisition or investment, as if the Target were a “Prior Target” for purposes of calculating Adjusted EBITDA.

“Prohibited Transaction” has the meaning set forth in Section 406 of ERISA and Section 4975(c)(1) of the Code.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Purchasing Borrower Party” means the Parent Borrower or any of its Subsidiaries that becomes an assignee pursuant to Section 10.04(e), or 2.19(c).

“Qualified Equity Interests” means any Equity Interest of a Person that is not a Disqualified Equity Interest.

“Quarterly Financial Statements” means the unaudited consolidated balance sheets and related statements of income and cash flows of the Parent Borrower for the fiscal quarters ended September 30, 2014, December 31, 2014 and March 31, 2015.

“Ratio Incremental Amount” has the meaning set forth in the definition of “Incremental Amount.”

“Receivables Subsidiary” means the special purpose entity established as a “bankruptcy remote” Subsidiary of the Parent Borrower for the purpose of acquiring accounts receivable under any Permitted Receivables Facility, which shall engage in no operations or activities other than those related to such Permitted Receivables Facility.

“Reference Time” means, with respect to any setting of the then-current Benchmark (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago time) on the day that is two U.S. Government Securities Business Days preceding the date of such setting and (2) if such Benchmark is the EURIBOR Rate, 11:00 a.m. Brussels time two TARGET Days preceding the date of such setting or (3) if such Benchmark is neither the Term SOFR Rate or EURIBOR Rate, the time determined by the Administrative Agent in its reasonable discretion.

“Refinance” or “Refinancing” has the meaning set forth in the definition of “Permitted Refinancing Indebtedness.”

“Refinancing Amendment” means an amendment to this Agreement, in form and substance reasonably satisfactory to the Borrowers, the Administrative Agent and the Lenders providing Specified Refinancing Debt, effecting the incurrence of such Specified Refinancing Debt in accordance with Section 2.22.

“Refinancing Loans” means loans under credit or loan agreements that are (a) senior or subordinated and unsecured or (b) secured by the Collateral of the Loan Parties on a *pari passu* or junior basis to the Credit Facilities, incurred in respect of a refinancing of outstanding Indebtedness of the Borrowers under the Credit Facilities; provided that, (i) if such Refinancing Loans shall be secured by a security interest in the Collateral, then such Refinancing Loans shall be issued subject to a Market Intercreditor Agreement that is reasonably satisfactory to the Administrative Agent; (ii) no Refinancing Loans shall mature prior to the final maturity date of the Indebtedness being refinanced, or have a weighted average life to maturity that is less than the weighted average life to maturity of the Indebtedness being refinanced thereby; (iii) the borrower of the Refinancing Loans shall be the Borrower with respect to the Indebtedness being refinanced; (iv) such Refinancing Loans shall subject to clause (ii) above have pricing (including interest, fees and premiums), optional prepayment and redemption terms as may be agreed to by the Parent Borrower and the lenders party thereto; (v) the other terms and conditions (excluding those referenced in clauses (ii) and (iv) above) of such Refinancing Loans shall either (x) be substantially identical to, or (taken as a whole) no more favorable to the lenders providing such Refinancing Loans than, those applicable to the Loans being refinanced or replaced (except for covenants or other provisions applicable only to periods after the Latest Maturity Date at the time of such refinancing or replacement) or (y) reflective of market terms and conditions at the time of incurrence or issuance thereof, in each case, as determined in good faith by the Parent Borrower (except for covenants or other provisions applicable only to periods after the Latest Maturity Date at the time of such refinancing or replacement); provided that a certificate of a Responsible Officer of the Parent Borrower delivered to the Administrative Agent at least five (5) Business Days prior to the incurrence of such Refinancing Loans, together with a reasonably detailed description of material terms and conditions of such Indebtedness or drafts of the documentation related thereto, stating that the Parent Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement in clause (iv), shall be conclusive

evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Parent Borrower within such five (5) Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees); (vi) the Refinancing Loans may not have guarantors, obligors or security in any case more extensive than that which applied to the applicable Loans being so refinanced; and (vii) the Net Proceeds of such Refinancing Loans shall be applied, substantially concurrently with the incurrence thereof, to the *pro rata* prepayment of outstanding Loans under the applicable Class of Loans being so refinanced in accordance with [Section 2.11](#).

“[Refinancing Loan Agreements](#)” means, collectively, the loan agreements, credit agreements or other similar agreements pursuant to which any Refinancing Loans are incurred, together with all instruments and other agreements in connection therewith, as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, but only to the extent permitted under the terms of the Loan Documents.

“[Refinancing Notes](#)” means one or more series of (a) senior or subordinated and unsecured notes or (b) senior secured notes secured by the Collateral of the Loan Parties (x) on an equal and ratable basis with the Credit Facilities or (y) on a junior basis to the Credit Facilities (to the extent then secured by such Collateral) in each case issued in respect of a refinancing of outstanding Indebtedness of Borrowers under the Credit Facilities; [provided](#) that, (i) if such Refinancing Notes shall be secured by a security interest in the Collateral, then such Refinancing Notes shall be issued subject to a Market Intercreditor Agreement that is reasonably satisfactory to the Administrative Agent; (ii) no Refinancing Notes shall mature prior to the date that is after the final maturity date of, or have a weighted average life to maturity that is less than the weighted average life to maturity of, in each case, the Indebtedness being refinanced; (iii) no Refinancing Notes shall be subject to any amortization prior to the final maturity thereof, or be subject to any mandatory redemption or prepayment provisions or rights (except customary assets sale or change of control provisions); (iv) such Refinancing Notes shall have pricing (including interest, fees and premiums), optional prepayment and redemption terms as may be agreed to by the Parent Borrower and the lenders party thereto; (v) the other terms and conditions (excluding those referenced in [clauses \(ii\) and \(iv\)](#), above) of such Refinancing Notes shall be either (x) substantially identical to, or (taken as a whole) no more favorable to the lenders providing such Refinancing Notes than, those applicable to the Loans or commitments being refinanced or replaced (except for covenants or other provisions applicable only to periods after the Latest Maturity Date existing at the time of such refinancing or replacement) or (y) reflective of market terms and conditions at the time of incurrence or issuance thereof, in each case, as determined in good faith by the Parent Borrower (except for covenants or other provisions applicable only to periods after the Latest Maturity Date at the time of such refinancing or replacement); [provided](#) that a certificate of a Responsible Officer of the Parent Borrower delivered to the Administrative Agent at least five (5) Business Days prior to the incurrence of such Refinancing Notes, together with a reasonably detailed description of material terms and conditions of such Refinancing Notes or drafts of the documentation related thereto, stating that the Parent Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement in this [clause \(v\)](#), shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Parent Borrower within such five (5) Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees); (vi) the Refinancing Notes shall not have security in any case more extensive than that which applied to the applicable Indebtedness being so refinanced and shall not have obligors or contingent obligors

that were not obligors or contingent obligors (or that would not have been required to become obligors or contingent obligors) in respect of the Indebtedness being refinanced; and (vii) the Net Proceeds of such Refinancing Notes shall be applied, substantially concurrently with the incurrence thereof, to the *pro rata* prepayment of outstanding Term Loans under the applicable Class of Term Loans being so refinanced in accordance with [Section 2.11](#).

“[Refinancing Notes Indentures](#)” means, collectively, the indentures or other similar agreements pursuant to which any Refinancing Notes are issued, together with all instruments and other agreements in connection therewith, as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, but only to the extent permitted under the terms of the Loan Documents.

“[Register](#)” has the meaning set forth in [Section 10.04\(b\)\(v\)](#).

“[Registered Equivalent Notes](#)” means, with respect to any notes originally issued in an offering pursuant to Rule 144A under the Securities Act or other private placement transactions under the Securities Act, substantially identical notes (having the same guarantees) issued in a dollar-for-dollar or euro-for-euro exchange, as applicable, therefor pursuant to an exchange offer registered with the SEC.

“[Related Business](#)” means any business which is the same as or related, ancillary or complementary to, or a reasonable extension or expansion of, any of the businesses of the Parent Borrower and its Restricted Subsidiaries on the Restatement Effective Date.

“[Related Business Assets](#)” means any property, plant, equipment or other assets (excluding assets that are qualified as current assets under GAAP) to be used or useful by the Parent Borrower or a Restricted Subsidiary in a Related Business or capital expenditures relating thereto.

“[Related Parties](#)” means, with respect to any specified Person, such Person’s Affiliates and the respective partners, directors, officers, employees, agents and other representatives of such Person and such Person’s Affiliates.

“[Relevant Governmental Body](#)” means (a) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Federal Reserve Board or the NYFRB, or a committee officially endorsed or convened by the Federal Reserve Board or the NYFRB or, in each case any successor thereto, (b) with respect to a Benchmark Replacement in respect of Loans denominated in Euros, the European Central Bank, or a committee officially endorsed or convened by the European Central Bank or, in each case, any successor thereto and (c) with respect to a Benchmark Replacement in respect of Loans denominated in any other currency, (i) the central bank for the currency in which such Benchmark Replacement is denominated or any central bank or other supervisor which is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement or (ii) any working group or committee officially endorsed or convened by (A) the central bank for the currency in which such Benchmark Replacement is denominated, (B) any central bank or other supervisor that is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement, (C) a group of those central banks or other supervisors or (D) the Financial Stability Board or any part thereof.

“Relevant Rate” means (i) with respect to any Borrowing denominated in Dollars, the Adjusted Term SOFR Rate or (ii) with respect to any Borrowing denominated in Euros, the Adjusted EURIBOR Rate.

“Relevant Screen Rate” means (i) with respect to any Borrowing denominated in Dollars, the Term SOFR Reference Rate or (ii) with respect to any Term Benchmark Borrowing denominated in Euros, the EURIBOR Screen Rate.

“Replacement Rating Agency” has the meaning set forth in the definition of “Applicable Credit Rating.”

“Reportable Event” means, with respect to a Pension Plan, any “reportable event”, as defined in Section 4043(c) of ERISA or the regulations issued thereunder, other than those events as to which the 30-day notice period referred to in Section 4043(c) of ERISA has been waived.

“Repricing Transaction” means the voluntary prepayment, refinancing, substitution or replacement (pursuant to Section 2.11(a)) or, solely in the case of a Prepayment Event arising from the incurrence of Indebtedness refinancing the Term B Loans, Section 2.11(c)) of all or a portion of the Term B Loans with the incurrence by the Parent Borrower or any of its Subsidiaries of any syndicated term loans with the primary purpose of having an All-In-Yield that is less than the effective All-In-Yield of such Term B Loans, including without limitation, as may be effected through any amendment to this Agreement relating to the All-In-Yield of, such Term B Loans (in any case, other than in connection with a Change in Control or in connection with any acquisition or investment transaction to the extent that such transaction (x) would not be permitted under this Agreement without an amendment hereto or (y) would be permitted by the terms of this Agreement, but the terms of the Loan Documents would not provide the Parent Borrower and its Restricted Subsidiaries with adequate flexibility for the continuation or expansion of their combined operations following such consummation, as determined by the Parent Borrower acting in good faith).

“Required Lenders” means, at any time, Lenders having more than 50% of the sum of (a) the total Revolving Exposures, (b) the Term Loans, (c) the unused Term Commitments and (d) the unused Total Revolving Commitments; provided that with respect to the determination of Required Lenders, (x) the Loans and unused Commitments held or deemed held by any Defaulting Lender shall be excluded and (y) the Loans of any Affiliated Lender shall in each case be excluded unless the action in question affects such Affiliated Lender in a disproportionately adverse manner than its effect on the other Lenders.

“Required Revolving Lenders” means, at any time, Lenders having more than 50% in the aggregate of (a) the Revolving Commitments or (b) after the termination of the Revolving Commitments, the Revolving Exposure; provided that with respect to the determination of Required Revolving Lenders, (x) the Loans and unused Commitments held or deemed held by any Defaulting Lender shall be excluded and (y) the Loans of any Affiliated Lender shall in each case be excluded unless the action in question affects such Affiliated Lender in a disproportionately adverse manner than its effect on the other Lenders.

“Required Term Lenders” means, at any time, Lenders having more than 50% of the sum of (a) the Term Loans and (b) the unused Term Commitments; provided that with respect to the

determination of Required Term Lenders, (x) the Loans and unused Commitments held or deemed held by any Defaulting Lender shall be excluded and (y) the Loans of any Affiliated Lender shall in each case be excluded unless the action in question affects such Affiliated Lender in a disproportionately adverse manner than its effect on the other Lenders.

“Required TLA Lenders” means, at any time, Lenders having Term A Loans and unused Commitments in respect thereof representing more than 50% of the sum of the total outstanding Term A Loans and unused Commitments in respect thereof at such time; provided that with respect to the determination of Required TLA Lenders, (x) the Loans and unused Commitments held or deemed held by any Defaulting Lender shall be excluded and (y) the Loans of any Affiliated Lender shall in each case be excluded unless the action in question affects such Affiliated Lender in a disproportionately adverse manner than its effect on the other Lenders.

“Required TLB Lenders” means, at any time, Lenders having Term B Loans and unused Commitments in respect thereof representing more than 50% of the sum of the total outstanding Term B Loans and unused Commitments in respect thereof at such time; provided that with respect to the determination of Required TLB Lenders, (x) the Loans and unused Commitments held or deemed held by any Defaulting Lender shall be excluded and (y) the Loans of any Affiliated Lender shall in each case be excluded unless the action in question affects such Affiliated Lender in a disproportionately adverse manner than its effect on the other Lenders.

“Responsible Officer” means the chief executive officer, president, any vice president, any Financial Officer or Secretary of the Parent Borrower (or such other entity to which such reference relates).

“Restatement Effective Date” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 10.02).

“Restricted Indebtedness” has the meaning set forth in Section 6.07(b).

“Restricted Joint Venture Amount” has the meaning set forth in Section 2.11(e).

“Restricted Lender” has the meaning set forth in Section 1.09.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Parent Borrower or any Restricted Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interests in the Parent Borrower or any Restricted Subsidiary.

“Restricted Subsidiaries” means the Subsidiary Loan Parties and each other Subsidiary of any Borrower that is not an Unrestricted Subsidiary.

“Return” means, with respect to any Investment, any dividend, distribution, interest, fee, premium, return of capital, repayment of principal, income, profit and any other amount received or realized in respect thereof.

“Revaluation Date” has the meaning set forth in Section 1.06(e).

“Revolver Extension Request” has the meaning set forth in Section 2.24(b).

“Revolver Extension Series” has the meaning set forth in Section 2.24(b).

“Revolver Refinancing Effective Date” means November 30, 2021.

“Revolving Availability Period” means the period from and including the Restatement Effective Date to but excluding the earlier of the Revolving Maturity Date and the date of termination of the Revolving Commitments.

“Revolving Commitment” means the USD/Multicurrency Revolving Commitment. The aggregate amount of the Lenders’ Revolving Commitment is (a) prior to the Revolver Refinancing Effective Date, \$2,750,000,000 and (b) on and after the Revolver Refinancing Effective Date, \$2,000,000,000.

“Revolving Exposure” means, with respect to any Lender at any time, the sum of (a) the outstanding principal amount of such Lender’s Revolving Loans at such time that are denominated in Dollars, plus (b) the Dollar Equivalent at such time of the aggregate outstanding principal amount of such Lender’s Revolving Loans at such time that are denominated in Alternative Currencies, plus (c) such Lender’s LC Exposure at such time, plus (d) such Lender’s Swingline Exposure at such time.

“Revolving Facility” means the Revolving Commitments and the extensions of credit made thereunder.

“Revolving Lender” means, as of any date of determination, each Lender with a Revolving Commitment or, if the Revolving Commitments have terminated or expired, a Lender with Revolving Exposure.

“Revolving Loan” means a Loan made pursuant to clause (e) of Section 2.01, an Incremental Revolving Loan made under the Revolving Facility or any Loan made pursuant to any Extended Revolving Commitments, as the context may require.

“Revolving Maturity Date” means April 5, 2025 or, with respect to any Extended Revolving Commitments, the final maturity date applicable thereto as specified in the applicable Extension Request accepted by the respective Lender or Lenders.

“S&P” means Standard & Poor’s Financial Services, LLC, or any successor to the ratings agency business thereof.

“Sanctions” means economic or financial sanctions or trade embargoes restrictive measures imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“OFAC”) or the U.S. Department of State, or (b) the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom.

“Sanctioned Country” means, at any time, a country or territory which is itself the subject or target of comprehensive Sanctions (at the time of this Agreement, Crimea, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or by the United Nations Security Council, the European Union or Her Majesty’s Treasury of the United Kingdom, (b) any Person, located, organized or resident in a Sanctioned Country or (c) any Person owned 50% or more or controlled by any such Person or Persons described in the foregoing clauses (a) and (b).

“Secured Net Leverage Ratio” means, as of any date of determination, the ratio of (a) Total Indebtedness secured by a Lien on any asset or property of the Borrowers or any other Loan Party minus unrestricted cash and Cash Equivalents of the Parent Borrower and its Restricted Subsidiaries as determined in accordance with GAAP to (b) Adjusted EBITDA for the most recently ended Test Period.

“Secured Obligations” has the meaning given to such term in the Security Agreement.

“Secured Parties” means the (a) Administrative Agent, (b) the Collateral Agent, (c) the Lenders, (d) the Issuing Banks, (e) each provider of arrangements the obligations under which constitute Deposit Obligations and (f) each counterparty to any Swap Agreement the obligations under which constitute Swap Obligations.

“Security Agreement” means that certain Pledge and Security Agreement, dated as of October 27, 2015, among the Loan Parties and the Collateral Agent, as amended, restated, supplemented or otherwise modified from time to time.

“Security Documents” means the Security Agreement and each other security agreement or other instrument or document executed and delivered pursuant to Section 5.10 to secure any of the Obligations.

“Senior Notes” means (x) up to \$550,000,000 aggregate principal amount of 6.500% Senior Notes due 2026, (y) up to €550,000,000 aggregate principal amount of 4.000% Senior Notes due 2023 and (z) up to €250,000,000 aggregate principal amount of 4.750% Senior Notes due 2026.

“SOFR” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the NYFRB’s website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“SOFR Determination Date” has the meaning specified in the definition of “Daily Simple SOFR”.

“SOFR Rate Day” has the meaning specified in the definition of “Daily Simple SOFR”.

“Specified Equity Contribution” means any cash contribution to the common equity of the Parent Borrower and/or any purchase or investment in an Equity Interest of the Parent Borrower the proceeds of which are used solely in accordance with Section 8.02.

“Specified Obligations” means Obligations consisting of the principal and interest on Loans, reimbursement obligations in respect of LC Disbursements and fees.

“Specified Refinancing Debt” has the meaning set forth in Section 2.22(a).

“Specified Refinancing Revolving Commitments” means Specified Refinancing Debt constituting revolving commitments.

“Specified Refinancing Revolving Loans” means Specified Refinancing Debt constituting revolving loans.

“Specified Refinancing Term Loans” means Specified Refinancing Debt constituting term loans.

“Specified Swap Obligation” has the meaning specified in the definition of “Excluded Swap Obligation”.

“Specified Transaction” means any Investment that results in a Person becoming a Restricted Subsidiary, any designation of a Subsidiary as a Restricted Subsidiary or an Unrestricted Subsidiary, any Permitted Acquisition, any Disposition that results in a Restricted Subsidiary ceasing to be a Subsidiary of the Borrowers, any Investment constituting an acquisition of assets constituting a business unit, line of business or division of another Person or any Disposition of a business unit, line of business or division of the Borrowers or a Restricted Subsidiary, in each case whether by merger, consolidation, amalgamation or otherwise, or any incurrence or repayment of Indebtedness (other than Indebtedness incurred or repaid under any revolving credit facility in the ordinary course of business for working capital purposes), Restricted Payment, Subsidiary designation, Incremental Term Facility, Incremental Revolving Facility or other event that by the terms of this Agreement requires Adjusted EBITDA or a financial ratio or test to be calculated on a “Pro Forma Basis.”

“Spot Rate” means, on any day, with respect to any currency in relation to Dollars, the rate at which such currency may be exchanged into Dollars, as set forth at approximately 12:00 noon, London time, on such date on the Reuters World Currency Page for such currency. In the event that such rate does not appear on the applicable Reuters World Currency Page, the Spot Rate shall be calculated by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Parent Borrower, or, in the absence of such agreement, such Spot Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent, at or about 11:00 a.m., London time, on such date for the purchase of such currency for delivery two (2) Business Days later; provided that if, at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent, after consultation with the Parent Borrower, may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

“Statutory Reserve Rate” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of

the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject for euro currency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurocurrency Loans shall be deemed to constitute euro currency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Subject Person" has the meaning set forth in the definition of "Consolidated Net Income."

"subsidiary" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Subsidiary" means, unless otherwise specified, any subsidiary of the Parent Borrower.

"Subsidiary Loan Party" means each Restricted Subsidiary that has become a party to the Guaranty.

"Substitute Affiliate Lender" has the meaning set forth in Section 2.06(c).

"Substitute Facility Office" has the meaning set forth in Section 2.06(c).

"Swap Agreement" means any agreement with respect to any swap, cap, collar, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current, former or future directors, officers, members of management, employees or consultants of the Parent Borrower or the Subsidiaries shall be a Swap Agreement.

"Swap Obligations" means all obligations, indebtedness, and liabilities (other than Excluded Swap Obligations) of the Group, or any member of the Group, to any Lender or any Affiliate of any Lender which arise pursuant to any Swap Agreements with the Group, or any member of the Group, whether now existing or hereafter arising, whether direct, indirect, related, unrelated, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, including, without limitation, all fees, costs, and expenses (including reasonable attorneys' fees and expenses) provided for in such Swap Agreements.

"Swingline Exposure" means, at any time, the Dollar Equivalent of the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be its Applicable Percentage.

“Swingline Lender” means JPMorgan Chase Bank, N.A. or any other Revolving Lender who agrees in writing to act as the Swingline Lender hereunder, in each case in its capacity as lender of Swingline Loans hereunder.

“Swingline Loan” means a Loan made pursuant to Section 2.04.

“Target” means the Person that is to be acquired, in whose Equity Interests an Investment is to be made or whose (or whose business unit’s, line’s or division’s) assets are to be acquired in an acquisition permitted by Section 6.04.

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

“TARGET Day” means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

“Taxes” means all present or future taxes, levies, imposts, duties (including customs, stamp or mortgage duties), deductions, charges or withholdings (including backup withholdings) imposed by any Governmental Authority including any interest, additions to tax or penalties applicable thereto.

“Term A EUR Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make Term A EUR Loans hereunder, expressed as an amount representing the maximum principal amount of the Term A EUR Loans to be made by such Lender hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08, (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 10.04, (c) established or increased from time to time pursuant to an Incremental Assumption Agreement and (d) as established from time to time pursuant to an Extension Amendment. The amount of each Lender’s Term A EUR Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption or Incremental Assumption Agreement pursuant to which such Lender shall have assumed its Term A EUR Commitment, as applicable. The aggregate amount of the Lenders’ Term A EUR Commitments as of the Restatement Effective Date is €2,035,000,000.

“Term A EUR Facility” means the Term A EUR Commitments and the extensions of credit made thereunder.

“Term A EUR Lender” means a Lender with a Term A EUR Commitment or an outstanding Term A EUR Loan.

“Term A EUR Loans” means (a) a Loan made pursuant to clause (b) of Section 2.01 and (b) an Incremental Term Loan designated as a Term A EUR Loan and denominated in Euro.

“Term A Commitment” means the Term A USD Commitment and the Term A EUR Commitment.

“Term A Facility” means the Term A Commitments and the extensions of credit made thereunder.

“Term A Lender” means a Lender with a Term A Commitment or an outstanding Term A Loan.

“Term A Loan Maturity Date” means the date that is five (5) years from the Restatement Effective Date or with respect to any applicable Extended Term Loans consisting of Term A Loans, the final maturity date applicable thereto as specified in the applicable Extension Request accepted by the respective Lender or Lenders.

“Term A Loans” means the Term A USD Loans and the Term A EUR Loans.

“Term A USD Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make Term A USD Loans hereunder, expressed as an amount representing the maximum principal amount of the Term A USD Loans to be made by such Lender hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08, (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 10.04, (c) established or increased from time to time pursuant to an Incremental Assumption Agreement and (d) as established from time to time pursuant to an Extension Amendment. The amount of each Lender’s Term A USD Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption or Incremental Assumption Agreement pursuant to which such Lender shall have assumed its Term A USD Commitment, as applicable. The aggregate amount of the Lenders’ Term A USD Commitments as of the Restatement Effective Date is \$1,000,000,000.

“Term A USD Facility” means the Term A USD Commitments and the extensions of credit made thereunder.

“Term A USD Lender” means a Lender with a Term A USD Commitment or an outstanding Term A USD Loan.

“Term A USD Loans” means (a) a Loan made pursuant to clause (a) of Section 2.01 and (b) an Incremental Term Loan designated as a Term A USD Loan.

“Term B Commitment” means the Term B USD Commitment and the Term B EUR Commitment.

“Term B EUR Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make Term B EUR Loans hereunder, expressed as an amount representing the maximum principal amount of the Term B EUR Loans to be made by such Lender hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08, (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 10.04, (c) established or increased from time to time pursuant to an Incremental Assumption Agreement and (d) as established from time to time pursuant to an Extension Amendment. The amount of each Lender’s Term B EUR Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption or Incremental Assumption Agreement pursuant to which such Lender shall have assumed its Term B EUR Commitment, as applicable. The aggregate amount of the Lenders’ Term B EUR Commitments as of the Restatement Effective Date is €850,000,000.

“Term B EUR Facility” means the Term B EUR Commitments and the extensions of credit made thereunder.

“Term B EUR Lender” means a Lender with a Term B EUR Commitment or an outstanding Term B EUR Loan.

“Term B EUR Loans” means (a) a Loan made pursuant to clause (d) of Section 2.01 and (b) an Incremental Term Loan designated as a Term B EUR Loan and denominated in Euro.

“Term B Facility” means the Term B Commitments and the extensions of credit made thereunder.

“Term B Lender” means a Lender with a Term B Commitment or an outstanding Term B Loan.

“Term B Loan Maturity Date” means the date that is seven (7) years from the Restatement Effective Date or, with respect to any applicable Extended Term Loans consisting of Term B Loans, the final maturity date applicable thereto as specified in the applicable Extension Request accepted by the respective Lender or Lenders.

“Term B Loans” means a Term B USD Loan or a Term B EUR Loan.

“Term B USD Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make Term B USD Loans hereunder, expressed as an amount representing the maximum principal amount of the Term B Loans to be made by such Lender hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08, (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 10.04, (c) established or increased from time to time pursuant to an Incremental Assumption Agreement and (d) as established from time to time pursuant to an Extension Amendment. The initial amount of each Lender’s Term B USD Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption or Incremental Assumption Agreement pursuant to which such Lender shall have assumed its Term B USD Commitment, as applicable. The aggregate amount of the Lenders’ Term B USD Commitments as of the Restatement Effective Date is \$1,400,000,000.

“Term B USD Facility” means the Term B USD Commitments and the extensions of credit made thereunder.

“Term B USD Lender” means a Lender with a Term B USD Commitment or an outstanding Term B USD Loan.

“Term B USD Loans” means (a) a Loan made pursuant to clause (e) of Section 2.01 and (b) an Incremental Term Loan designated as a Term B USD Loan and denominated in Dollars.

“Term Benchmark” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate or the Adjusted EURIBOR Rate.

“Term Commitment” means the Term B Commitment and the Term A Commitment.

“Term Facility” means the Term B Commitments and the Term A Commitments and the extensions of credit made thereunder.

“**Term Lender**” means, as of any date of determination, each Lender with a Term Commitment or an outstanding Term Loan.

“**Term Loans**” means a Term A Loan, a Term B Loan, an Incremental Term Loan, Specified Refinancing Term Loan or an Extended Term Loan, as the context may require.

“**Term Loan Extension Request**” has the meaning provided in [Section 2.24\(a\)](#).

“**Term Loan Extension Series**” has the meaning provided in [Section 2.24\(a\)](#).

“**Term SOFR**”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate, other than Loans or Borrowings pursuant to clause (c) of the definition of “Alternate Base Rate”.

“**Term SOFR Adjustment**” means, for any calculation with respect to a Loan denominated in Dollars, a percentage per annum as set forth below for the applicable type of such Loan and (if applicable) Interest Period therefor:

ABR Loans:

0.11448%

Term SOFR Loans:

Interest Period	Percentage
One month	0.11448%
Three months	0.26161%
Six months	0.42826%
Twelve months	0.71513%

“**Term SOFR Determination Day**” has the meaning assigned to it under the definition of Term SOFR Reference Rate.

“**Term SOFR Rate**” means, with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period, as such rate is published by the CME Term SOFR Administrator.

“**Term SOFR Reference Rate**” means, for any day and time (such day, the “**Term SOFR Determination Day**”), with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum published by the CME Term SOFR Administrator and identified by the Administrative Agent as the forward-

looking term rate based on SOFR. If by 5:00 pm (New York City time) on such Term SOFR Determination Day, the “Term SOFR Reference Rate” for the applicable tenor has not been published by the CME Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then, so long as such day is otherwise a U.S. Government Securities Business Day, the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was published by the CME Term SOFR Administrator, so long as such first preceding U.S. Government Securities Business Day is not more than five (5) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“Test Period” means, for any date of determination under this Agreement, the latest four consecutive fiscal quarters of the Parent Borrower ending on or prior to such date for which financial statements have been (or were required to have been) delivered pursuant to Section 5.01(a) or (b); provided, further, that for the purposes of the Financial Covenant, Test Period shall mean the latest four consecutive fiscal quarters of the Parent Borrower ending on such date.

“Threshold Amount” means \$125,000,000.

“Total Assets” means, at any time, the total assets of the Parent Borrower and the Restricted Subsidiaries, determined on a consolidated basis in accordance with GAAP, as shown on the then most recent balance sheet of the Borrowers.

“Total Indebtedness” means, at the time of determination, the sum of the following determined for the Parent Borrower and the Restricted Subsidiaries on a consolidated basis (without duplication) in accordance with GAAP: (a) all obligations for borrowed money; plus (b) all Capital Lease Obligations and purchase money indebtedness; plus (c) unreimbursed obligations in respect of drawn letters of credit, bankers acceptances or similar instruments (provided that cash collateralized amounts under drawn letters of credit, bankers acceptances and similar instruments shall not be counted as Total Indebtedness); provided that Total Indebtedness shall not include Indebtedness in respect of (i) unreimbursed obligations in respect of drawn letters of credit until five (5) days after such amount is drawn, (ii) obligations under Swap Agreements and (iii) if, upon or prior to the maturity thereof, such Person has irrevocably deposited with the proper Person in trust or escrow the necessary funds (or evidences of indebtedness) for the payment, redemption or satisfaction of such Indebtedness, and thereafter such funds and evidences of such obligation, liability or indebtedness or other security so deposited are not included in the calculation of unrestricted cash.

“Total Net Leverage Ratio” means, as of any date of determination, the ratio of (a) (i) Total Indebtedness minus (ii) unrestricted cash and Cash Equivalents of the Parent Borrower and its Restricted Subsidiaries as determined in accordance with GAAP to (b) Adjusted EBITDA for the most recently ended Test Period.

“Total Revolving Commitments” means, at any time, the aggregate of the Revolving Commitments of all Lenders (or their respective Affiliates) at such time.

“Transactions” means:

- (1) the execution and delivery of this Agreement and the other Loan Documents and the funding of the Loans on the Restatement Effective Date;
- (2) the Existing Indebtedness Refinancing; and
- (3) the transactions related to the foregoing, including the issuance of the Senior Notes and the payment of all fees, costs and expenses incurred in connection therewith and with the transactions described in the foregoing provisions of this definition.

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted Term SOFR Rate, the Adjusted EURIBOR Rate or the Alternate Base Rate.

“UCC” means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Undisclosed Administration” means in relation to a Lender or a parent company of such Lender, the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official by a supervisory authority or regulator under or based on the law in the country where such Lender or parent company, as the case may be, is subject to home jurisdiction supervision if applicable law requires that such appointment is not to be publicly disclosed

“Unrestricted Subsidiaries” means each Subsidiary of the Parent Borrower (other than a Borrower) designated by the Parent Borrower as an “Unrestricted Subsidiary” pursuant to Section 5.13.

“U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday or (iii) 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. Person” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Code.

“USD/Multicurrency Applicable Percentage” means, with respect to any USD/Multicurrency Revolving Lender, subject to Section 2.21, the percentage of the total USD/Multicurrency Revolving Commitments represented by such Lender’s USD/Multicurrency Revolving Commitment. If the USD/Multicurrency Revolving Commitments have terminated or expired, the USD/Multicurrency Applicable Percentages shall be determined based upon the

USD/Multicurrency Revolving Commitments most recently in effect, giving effect to any assignments.

“USD/Multicurrency Revolving Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make USD/Multicurrency Revolving Loans and to acquire participations in Letters of Credit denominated in Alternative Currencies hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.08, (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 10.04, (c) as established or increased from time to time pursuant to an Incremental Assumption Agreement, (d) as established from time to time pursuant to a Refinancing Amendment and (e) as established from time to time pursuant to an Extension Amendment. The amount of each Lender’s USD/Multicurrency Revolving Commitment as of the Restatement Effective Date is set forth on Schedule 2.01. The aggregate amount of the Lenders’ USD/Multicurrency Revolving Commitments as of the Revolver Refinancing Effective Date is (a) prior to the Revolver Refinancing Effective Date, \$2,750,000,000 and (b) on and after the Revolver Refinancing Effective Date, \$2,000,000,000.

“USD/Multicurrency Revolving Exposure” means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s (or its Affiliate’s) USD/Multicurrency Revolving Loans and its Multicurrency LC Exposure at such time.

“USD/Multicurrency Revolving Facility” means the USD/Multicurrency Revolving Commitments and the extensions of credit made thereunder.

“USD/Multicurrency Revolving Lender” means, as of any date of determination, each Lender with a USD/Multicurrency Revolving Commitment or, if the USD/Multicurrency Revolving Commitments have terminated or expired, a Lender with USD/Multicurrency Revolving Exposure.

“USD/Multicurrency Revolving Loan” means a Loan made pursuant to clause (e) of Section 2.01 or an Incremental Revolving Loan made under the USD/Multicurrency Revolving Facility.

“Withdrawal Liability” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

“Withholding Agent” means any Loan Party or the Administrative Agent.

“Yearly Limit” has the meaning provided in Section 6.07(a)(v).

Section 1.02 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a “Revolving Loan” or “Term B Loan”) or by Type (e.g., a “Term Benchmark Loan”) or by Class and Type (e.g., a “Term Benchmark Revolving Loan” or “Term Benchmark Term B Loan”). Borrowings also may be classified and referred to by Class (e.g., a “Revolving Borrowing” or “Term B Loan Borrowing”) or by Type (e.g., a “Term Benchmark Borrowing”) or by Class and Type (e.g., a “Term Benchmark Revolving Borrowing” or “Term Benchmark Term B Loan Borrowing”).

Section 1.03 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document (including any Loan Document) herein shall be construed as referring to such agreement, instrument or other document (including any Loan Document) as from time to time amended, restated, amended and restated, supplemented, extended, renewed, replaced, refinanced or otherwise modified (subject to any restrictions on such amendments, restatements, amendments and restatements, supplements, extensions, renewals, replacements, refinancings or modifications set forth herein), (b) any reference herein or in any Loan Document to any Person shall be construed to include such Person’s successors and permitted assigns, (c) the words “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 or thereof, (d) all references herein or in any Loan Document to Articles, Sections, clauses, paragraphs, Exhibits and Schedules shall be construed to refer to Articles and Sections, clauses and paragraphs of, and Exhibits and Schedules to, this Agreement or such Loan Document, as applicable, and (e) the words “asset” and “property”, when used in any Loan Document, shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

For purposes of determining compliance at any time with Sections 6.01, 6.02, 6.03, 6.04, 6.05, 6.06, 6.07 and 6.08, in the event that any Indebtedness, Lien, payment with respect to Junior Indebtedness restricted by Section 6.07(b), Restricted Payment, contractual restriction, Investment, Disposition or Affiliate transaction, as applicable, meets the criteria of more than one of the categories of transactions or items permitted pursuant to any clause of such Sections 6.01, 6.02, 6.03, 6.04, 6.05, 6.06, 6.07 and 6.08, the Parent Borrower, in its sole discretion, from time to time, may classify or reclassify such transaction or item (or portion thereof) and will only be required to include the amount and type of such transaction (or portion thereof) in any one category. For purposes of determining the permissibility of any action, change, transaction or event that by the terms of the Loan Documents requires a calculation of any financial ratio or test (including the First Lien Net Leverage Ratio, the Total Net Leverage Ratio or the Secured Net Leverage Ratio), such financial ratio or test shall, except as expressly permitted under this Agreement, be calculated at the time such action is taken, such change is made, such transaction is consummated or such event occurs, as the case may be, and no Default or Event of Default shall be deemed to have occurred solely as a result of a change in such financial ratio or test occurring after the time such action is taken, such change is made, such transaction is consummated or such event occurs, as the case may be. It is understood and agreed that any Indebtedness, Lien, Restricted Payment, payment with respect to Junior Indebtedness restricted by Section 6.07(b), Investment, Disposition or Affiliate transaction need not be permitted solely by reference to one category of permitted Indebtedness, Liens, Restricted Payments, payments with respect to Junior Indebtedness, Investments, Dispositions or Affiliate transactions under Sections 6.01, 6.02, 6.03, 6.04, 6.05, 6.06, 6.07 or 6.08, respectively, but may instead be

permitted in part under any combination thereof (it being understood that compliance with each such section is separately required).

Notwithstanding anything to the contrary herein, (i) when calculating any financial ratio or test (including any First Lien Net Leverage Ratio test, any Secured Net Leverage Ratio test, any Total Net Leverage Ratio test and the amount of Total Assets or the amount of Consolidated Net Income or Adjusted EBITDA) in connection with the incurrence of Indebtedness, the creation of Liens, the making of any Disposition, the making of an Investment or the making of a Restricted Payment, (ii) determining compliance with any provision of this Agreement which requires that no Default or Event of Default (or any type of Default or Event of Default) has occurred, is continuing or would result therefrom, (iii) determining compliance with any provision of this Agreement which requires compliance with any representation or warranties set forth herein or (iv) determining the satisfaction of all other conditions precedent to the incurrence of Indebtedness, the creation of Liens, the making of any Disposition, the making of an Investment or the making of a Restricted Payment, in each case in connection with a Limited Condition Transaction, the date of determination of such ratio or other provisions, determination of whether any Default or Event of Default has occurred, is continuing or would result therefrom, determination of compliance with any representations or warranties or the satisfaction of any other conditions shall, at the option of the Parent Borrower (the Parent Borrower's election to exercise such option in connection with any Limited Condition Transaction, an "LCT Election," which LCT Election may be in respect of one or more of clauses (i), (ii), (iii) or (iv) be deemed to be the date the definitive agreements (or other relevant definitive documentation) for such Limited Condition Transaction are entered into (the "LCT Test Date"). If on a pro forma basis after giving effect to such Limited Condition Transaction and the other transactions to be entered into in connection therewith (including any incurrence or issuance of Indebtedness, and the use of proceeds thereof), with such ratios and other provisions calculated as if such Limited Condition Transaction or other transactions had occurred at the beginning of the most recent Test Period ending prior to the LCT Test Date for which financial statements have been (or are required to be) delivered pursuant to Section 5.01, the Parent Borrower could have taken such action on the relevant LCT Test Date in compliance with the applicable ratios or other provisions, such provisions shall be deemed to have been complied with, unless an Event of Default pursuant to Section 8.01(a) or (b), or, solely with respect to any Borrower, Section 8.01(g) or (h) shall be continuing on the date such Limited Condition Transaction is consummated. For the avoidance of doubt, (i) if, following the LCT Test Date, any of such ratios or other provisions are exceeded or breached as a result of fluctuations in such ratio (including due to fluctuations in Adjusted EBITDA or other components of such ratio) or other provisions at or prior to the consummation of the relevant Limited Condition Transactions, such ratios and other provisions will not be deemed to have been exceeded or failed to have been satisfied as a result of such fluctuations solely for purposes of determining whether the Limited Condition Transaction is permitted hereunder and (ii) such ratios and compliance with such conditions shall not be tested at the time of consummation of such Limited Condition Transaction or related Specified Transactions, unless, other than if an Event of Default pursuant to Section 8.01(a) or (b), or, solely with respect to any Borrower, Section 8.01(g) or (h), shall be continuing on such date, the Parent Borrower elects, in its sole discretion, to test such ratios and compliance with such conditions on the date such Limited Condition Transaction or related

Specified Transactions is consummated. If the Parent Borrower has made an LCT Election for any Limited Condition Transaction, then in connection with any subsequent calculation of any ratio, basket availability or compliance with any other provision hereunder (other than actual compliance with the Financial Covenant) on or following the relevant LCT Test Date and prior to the earliest of the date on which such Limited Condition Transaction is consummated, the date that the definitive agreement for such Limited Condition Transaction is terminated or expires without consummation of such Limited Condition Transaction or the date the Parent Borrower makes an election pursuant to clause (ii) of the immediately preceding sentence, any such ratio, basket or compliance with any other provision hereunder shall be calculated on a Pro Forma Basis assuming such Limited Condition Transaction and other transactions in connection therewith (including any incurrence or issuance of Indebtedness or Disqualified Equity Interests, and the use of proceeds thereof) had been consummated on the LCT Test Date; provided, that for purposes of any Restricted Payment or payment of Restricted Indebtedness, such ratio, basket or compliance with any other provision hereunder shall also be tested as if such Limited Condition Transaction and other transactions in connection therewith (including any incurrence or issuance of Indebtedness or Disqualified Equity Interests, and the use of proceeds thereof) had not been consummated.

Notwithstanding anything to the contrary herein, with respect to any amounts incurred or transactions entered into (or consummated) in reliance on a provision of this Agreement that does not require compliance with a financial ratio (any such amounts, the "Fixed Amounts") under any negative covenant set forth in Article VI or the determination of the Incremental Amount substantially concurrently with any amounts incurred or transactions entered into (or consummated) in reliance on a provision under such negative covenant or the determination of the Incremental Amount that requires compliance with a financial ratio (including any First Lien Net Leverage Ratio test, any Secured Net Leverage Ratio test and any Total Net Leverage Ratio test) (any such amounts, the "Incurrence-Based Amounts"), it is understood and agreed that such Fixed Amounts shall be disregarded in the calculation of the financial ratio or test applicable to any substantially concurrent utilization of such Incurrence-Based Amounts.

Section 1.04 Accounting Terms: GAAP. If at any time any change in GAAP or the application thereof would affect the computation or interpretation of any financial ratio, basket, requirement or other provision set forth in any Loan Document, and either the Parent Borrower or the Required Lenders shall so request, the Administrative Agent and the Parent Borrower shall negotiate in good faith to amend such ratio, basket, requirement or other provision to preserve the original intent thereof in light of such change in GAAP or the application thereof (subject to the approval of the Required Lenders not to be unreasonably withheld, conditioned or delayed); provided that until so amended, (i) (A) such ratio, basket, requirement or other provision shall continue to be computed or interpreted in accordance with GAAP or the application thereof prior to such change therein and (B) the Parent Borrower shall provide to the Administrative Agent and the Lenders a written reconciliation in form and substance reasonably satisfactory to the Administrative Agent, between calculations of such ratio, basket, requirement or other provision made before and after giving effect to such change in GAAP or the application thereof or (ii) the Parent Borrower may elect to fix GAAP (for purposes of such ratio, basket, requirement or other

provision) as of another later date notified in writing to the Administrative Agent from time to time.

Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of the Financial Covenant) contained herein, Indebtedness of the Parent Borrower and its Subsidiaries shall be determined without giving effect to (i) any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159) (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Parent Borrower or any subsidiary at "fair value", as defined therein and (ii) any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof).

Section 1.05 Business Days; Payments. If any payment or performance under any Loan Document shall be due on a day that is not a Business Day, the date for payment or performance shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension.

Section 1.06 Exchange Rates; Currency Equivalents. Unless expressly provided otherwise, any amounts specified in this Agreement shall be in Dollars.

(a) The Administrative Agent shall determine the Spot Rates as of each Revaluation Date to be used for calculating the Dollar Equivalent amounts of Loans and Letters of Credit denominated in an Alternative Currency. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between any Alternative Currency and Dollars until the next Revaluation Date to occur.

(b) The Administrative Agent shall determine the Dollar Equivalent of any Foreign Currency Letter of Credit or Borrowing not denominated in Dollars in accordance with the terms set forth herein, and a determination thereof by the Administrative Agent shall be presumptively correct absent manifest error. The Administrative Agent may, but shall not be obligated to, rely on any determination made by any Borrower in any document delivered to the Administrative Agent.

(c) The Administrative Agent shall determine the Dollar Equivalent of any Foreign Currency Letter of Credit as of (i) a date on or about the date on which the applicable Issuing Bank receives a request from the applicable Borrower for the issuance of such Letter of Credit, (ii) each subsequent date on which such Letter of Credit shall be renewed or extended or the stated amount of such Foreign Currency Letter of Credit shall be increased, (iii) March 31 and September 30 in each year and (iv) during the continuance of an Event of Default, as reasonably requested by the Administrative Agent, in each case using the Spot Rate in effect on the date of determination, and each such amount shall be the Dollar Equivalent of such Letter of Credit until the next required calculation thereof pursuant to this Section 1.06(c).

(d) The Administrative Agent shall determine the Dollar Equivalent of any Borrowing denominated in an Alternative Currency as of (i) a date on or about the date on which the Administrative Agent receives a Borrowing Request in respect of such Borrowing using the Spot Rate in effect on the date of determination, (ii) as of the date of the commencement of each Interest Period after the initial Interest Period therefor and (iii) during the continuance of an Event of Default, as reasonably requested by the Administrative Agent, using the Spot Rate in effect (x) in the case of clauses (i) and (ii) above, on the date that is three Business Days prior to the date of the Borrowing or on which the applicable Interest Period shall commence, and (y) in the case of clause (iii) above, on the date of determination, and each such amount shall be the Dollar Equivalent of such Borrowing until the next required calculation thereof pursuant to this Section 1.06(d).

(e) The Administrative Agent shall notify the Parent Borrower, the Lenders and the applicable Issuing Bank of each such determination (such date, a "Revaluation Date") and revaluation of the Dollar Equivalent of each Foreign Currency Letter of Credit and Borrowing.

(f) The Administrative Agent may set up appropriate rounding-off mechanisms or otherwise round off amounts pursuant to this Section 1.06 to the nearest higher or lower amount in whole Dollars to ensure amounts owing by any party hereunder or that otherwise need to be calculated or converted hereunder are expressed in whole Dollars, as may be necessary or appropriate.

(g) Unless otherwise provided, Dollar Equivalent amounts set forth in Articles II or VIII may be exceeded by a percentage amount equal to 5% of such amount; provided, that such excess is solely as a result of fluctuations in applicable currency exchange rates after the last time such determinations were made and, in any such cases, the applicable limits set forth in Articles II or VIII, as applicable, will not be deemed to have exceeded solely as a result of such fluctuations in currency exchange rates. For the avoidance of doubt, in no event shall a prepayment be required under Section 2.11(b) if the Dollar Equivalent of the relevant amounts set forth therein does not exceed 5% of such relevant amounts solely as a result of fluctuations in currency exchange rates.

(h) For purposes of any determination under Article V, Article VI (other than the calculation of compliance with any financial ratio for purposes of taking any action hereunder) or Article VIII with respect to the amount of any Indebtedness, Lien, Restricted Payment, debt prepayment, Investment, Disposition, affiliate transaction or other transaction, event or circumstance, or any determination under any other provision of this Agreement (any of the foregoing, a "subject transaction"), in a currency other than Dollars, (i) the Dollar Equivalent of a subject transaction in a currency other than Dollar shall be calculated based on the rate of exchange quoted on the applicable Reuters World Currency Page (or any successor page thereto, or in the event such rate does not appear on any Reuters Page, by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Parent Borrower) for such foreign currency, as in effect at 12:00 noon (London time) on the date of such subject transaction (which, in the case of any Restricted Payment, shall be deemed to be the date of the declaration thereof and, in the case of the incurrence of Indebtedness, shall be deemed to be on the date first committed); provided, that if any Indebtedness is incurred (and, if applicable, associated Lien granted) to refinance or replace other Indebtedness denominated in a

currency other than Dollar, and the relevant refinancing or replacement would cause the applicable Dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing or replacement, such Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing or replacement Indebtedness (and, if applicable, associated Lien granted) does not exceed an amount sufficient to repay the principal amount of such Indebtedness being refinanced or replaced, except by an amount equal to (x) unpaid accrued interest and premiums (including tender premiums) thereon plus other reasonable and customary fees and expenses (including upfront fees and original issue discount) incurred in connection with such refinancing or replacement and (y) additional amounts permitted to be incurred under Section 6.01 and (ii) for the avoidance of doubt, no Default or Event of Default shall be deemed to have occurred solely as a result of a change in the rate of currency exchange occurring after the time of any subject transaction so long as such subject transaction was permitted at the time incurred, made, acquired, committed, entered or declared as set forth in clause (i). For purposes of Article VII and the calculation of compliance with any financial ratio for purposes of taking any action hereunder, on any relevant date of determination, amounts denominated in currencies other than Dollars shall be translated into Dollars at the applicable currency exchange rate used in preparing the financial statements delivered pursuant to Sections 5.01(a) or (b), as applicable, for the most recently ended Test Period and will, with respect to any Indebtedness, reflect the currency translation effects, determined in accordance with GAAP, of any Swap Agreement permitted hereunder in respect of currency exchange risks with respect to the applicable currency in effect on the date of determination for the Dollar Equivalent amount of such Indebtedness. Notwithstanding the foregoing sentence, solely for purposes of the calculation of the amount referenced in clause (a) of the definition of the term "Total Net Leverage Ratio" for purposes of the Financial Covenant referenced in Section 7.01, the currency exchange rate with respect to Euros in relation to Dollars on any relevant date of determination shall be the arithmetic average of the average monthly rate at which Euros may be exchanged into Dollars for the twelve (12) months prior to such date (as reasonably determined by the Parent Borrower in good faith).

Section 1.07 Cashless Rollovers. Notwithstanding anything to the contrary contained in this Agreement or in any other Loan Document, to the extent that any Lender extends the maturity date of, or replaces, renews or refinances, any of its then-existing Loans with Incremental Loans, Extended Term Loans, or Loans in connection with any Specified Refinancing Debt or Loan Modification or loans incurred under a new credit facility, in each case, to the extent such extension, replacement, renewal or refinancing is effected by means of a "cashless roll" by such Lender, such extension, replacement, renewal or refinancing shall be deemed to comply with any requirement hereunder or any other Loan Document that such payment be made "in Dollars", "in immediately available funds", "in cash" or any other similar requirement.

Section 1.08 Pro Forma Calculations.

(a) Notwithstanding anything to the contrary herein, Adjusted EBITDA, EBITDA, Consolidated Net Income and any financial ratios or tests, including the First Lien Net Leverage Ratio, the Secured Net Leverage Ratio and the Total Net Leverage Ratio, shall be calculated in the manner prescribed by this Section 1.08; provided that notwithstanding

anything to the contrary in clauses (b), (c) or (d) of this Section 1.08, when calculating the Total Net Leverage Ratio for purposes of determining actual compliance (and not Pro Forma Compliance, compliance on a Pro Forma Basis or determining compliance giving Pro Forma Effect to a transaction) with Section 7.01, the events described in this Section 1.08 that occurred subsequent to the end of the applicable Test Period shall not be given Pro Forma Effect.

(b) For purposes of calculating Adjusted EBITDA, EBITDA, Consolidated Net Income and any financial ratios or tests, including the First Lien Net Leverage Ratio, the Secured Net Leverage Ratio and the Total Net Leverage Ratio, Specified Transactions (and the incurrence or repayment of any Indebtedness in connection therewith, subject to clause (d) of this Section 1.08) that have been made (i) during the applicable Test Period or (ii) subsequent to such Test Period and prior to or simultaneously with the event for which the calculation of Adjusted EBITDA, EBITDA, Consolidated Net Income or any such ratio is made shall be calculated on a Pro Forma Basis assuming that all such Specified Transactions (and any increase or decrease in Adjusted EBITDA, EBITDA, Consolidated Net Income and the component financial definitions used therein attributable to any Specified Transaction) had occurred on the first day of the applicable Test Period.

(c) Whenever Pro Forma Effect is to be given to a Specified Transaction, the *pro forma* calculations shall be made in good faith by a Responsible Officer of the Parent Borrower and may include, for the avoidance of doubt, the amount of cost savings, operating expense reductions and synergies described in clause (g) of “Adjusted EBITDA”; provided that (A) such amounts are reasonably identifiable and factually supportable (in the good faith determination of the Parent Borrower), (B) such actions are taken, committed to be taken or expected to be taken no later than twenty-four (24) months after the date of such Specified Transaction, (C) no amounts shall be added pursuant to this clause (c) to the extent duplicative of any amounts that are otherwise added back in computing Adjusted EBITDA or EBITDA, whether through a *pro forma* adjustment or otherwise, with respect to such period and (D) it is understood and agreed that, subject to compliance with the other provisions of this Section 1.08(c), amounts to be included in *pro forma* calculations pursuant to this Section 1.08(c) may be included in Test Periods in which the Specified Transaction to which such amounts relate to is no longer being given Pro Forma Effect pursuant to Section 1.08(b).

(d) In the event that the Parent Borrower or any Restricted Subsidiary incurs (including by assumption or guarantees) or repays (including by repurchase, redemption, repayment, retirement or extinguishment) any Indebtedness included in the calculations of the First Lien Net Leverage Ratio, the Secured Net Leverage Ratio and the Total Net Leverage Ratio, as the case may be (in each case, other than Indebtedness incurred or repaid under any revolving credit facility in the ordinary course of business for working capital purposes), (i) during the applicable Test Period or (ii) subsequent to the end of the applicable Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made, then the First Lien Net Leverage Ratio, the Secured Net Leverage Ratio and the Total Net Leverage Ratio shall be calculated giving Pro Forma Effect to such incurrence or repayment of Indebtedness, to the extent required, as if the same had occurred

on the last day of the applicable Test Period. If any Indebtedness bears a floating rate of interest and is being given Pro Forma Effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date such calculation is being made had been the applicable rate for the entire period (taking into account any Swap Agreement applicable to such Indebtedness). Interest on Capital Lease Obligations shall be deemed to accrue at an interest rate reasonably determined by a Responsible Officer of the Parent Borrower to be the rate of interest implicit in such Capital Lease Obligation in accordance with GAAP. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a eurocurrency rate, or other rate, shall be deemed to have been based upon the rate actually chosen, or, if none, then based upon such optional rate chosen as the Parent Borrower may designate.

Section 1.09 Restricted Lenders. With respect to each Lender that qualifies as a resident party domiciled in Germany within the meaning of section 2 paragraph 15 of the German Foreign Trade Act (*Außenwirtschaftsverordnung*) (each a "Restricted Lender"), Section 3.17, Section 5.14 and Section 6.12 shall only apply to the extent that these provisions would not result in (a) any violation of, conflict with or liability under EU Regulation (EC) 2271/96 or (b) a violation or conflict with section 7 of the German Foreign Trade Act (*Außenwirtschaftsverordnung*) or a similar anti-boycott statute. In connection with any amendment, waiver, determination or direction relating to any part of Section 3.17, Section 5.14 and/or Section 6.12 of which a Restricted Lender does not have the benefit, the Commitments of that Restricted Lender will be excluded for the purpose of determining whether the consent of the Required Lenders has been obtained or whether the determination or direction by the Required Lenders has been made.

Section 1.10 Interest Rates: Benchmark Notification. The interest rate on a Loan denominated in Dollars or an Alternative Currency may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 2.14(b) provides a mechanism for determining an alternative rate of interest. The Administrative Agent will promptly notify the Borrowers, pursuant to Section 2.14(e), of any change to the reference rate upon which the interest rate on Loans is based. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case

pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, 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.

ARTICLE II

THE CREDITS

Section 2.01 Commitments. Subject to the terms and conditions set forth herein, each Lender severally agrees (a) to make a Term A USD Loan in Dollars to the Parent Borrower on the Restatement Effective Date in an aggregate principal amount not exceeding its Term A USD Commitment, (b) to make a Term A EUR Loan in Euros to the Parent Borrower on the Restatement Effective Date in an aggregate principal amount not exceeding its Term A EUR Commitment, (c) to make Term B USD Loans in Dollars to the Parent Borrower on the Restatement Effective Date in an aggregate principal amount not exceeding its Term B USD Commitment, (d) to make Term B EUR Loans in Euro to the Parent Borrower on the Restatement Effective Date in an aggregate principal amount not exceeding its Term B EUR Commitment and (e) to make USD/Multicurrency Revolving Loans in Dollars or Alternative Currencies to the Parent Borrower, the Dutch Borrower and any Additional Borrowers from time to time during the Revolving Availability Period in an aggregate principal amount that will not result in (i) the Dollar Equivalent of such Lender's USD/Multicurrency Revolving Exposure exceeding such Lender's USD/Multicurrency Revolving Commitment, (ii) the aggregate Dollar Equivalent of the USD/Multicurrency Revolving Exposure of all Lenders exceeding the aggregate USD/Multicurrency Revolving Commitment of all Lenders or (iii) the Dollar Equivalent of the aggregate Multicurrency Revolving Exposure exceeding the Multicurrency Revolving Sublimit. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Loans. Amounts repaid in respect of Term Loans may not be reborrowed. Notwithstanding anything herein or in any other Loan Document to the contrary, (i) the proceeds of the Revolving Loans incurred by the Dutch Borrower will be made available solely to and received solely by the Dutch Borrower, (ii) the Dutch Borrower will not, and will not have any obligation to, guarantee the Obligations of the Parent Borrower, the Guarantors or any other obligor under the Loan Documents and (iii) the Dutch Borrower will not, and will not have any obligation to, pledge or otherwise grant a Lien on any of its assets with respect to any of the Obligations (including with respect to any Loans made to the Dutch Borrower).

Section 2.02 Loans and Borrowings.

(a) Loans Made Ratably. Each Loan (other than a Swingline Loan) shall be made as part of a Borrowing consisting of Loans of the same Class and Type made by the Lenders ratably in accordance with their respective Commitments of the applicable Class. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are

several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Initial Type of Loans. Subject to Section 2.14, (i) each Term Borrowing denominated in Euro shall be comprised entirely of Eurocurrency Loans, (ii) each Term Borrowing in Dollars shall be comprised entirely of ABR Loans or Term SOFR Loans as the Parent Borrower may request in accordance herewith and (iii) each Revolving Borrowing by any Borrower (a) in Dollars shall be comprised entirely of ABR Loans or Term SOFR Loans and (b) in any Alternative Currency shall be composed solely of Alternative Currency Loans as the relevant Borrower may request in accordance herewith. Each Swingline Loan shall be denominated in Dollars and shall be an ABR Loan. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrowers to repay such Loan in accordance with the terms of this Agreement.

(c) Minimum Amounts; Limitation on Borrowings. At the commencement of each Interest Period for any Term Benchmark Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 ((or in the Dollar Equivalent thereof) with respect to Loans denominated in any Alternative Currency other than Euro) or €1,000,000 and not less than €5,000,000 (with respect to Loans denominated in Euro). At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$100,000 and not less than \$1,000,000; provided that Revolving Borrowings may be in an aggregate amount that is equal to the entire unused balance of the total Revolving Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.05(e). Each Swingline Loan shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$500,000 ((or in the Dollar Equivalent thereof) with respect to Loans denominated in any Alternative Currency other than Euro) or €1,000,000 and not less than €500,000 (with respect to Loans denominated in Euro). Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of eighteen (18) Revolving Term Benchmark Borrowings outstanding and four Term Loan Term Benchmark Borrowings outstanding.

(d) Limitation on Interest Periods. Notwithstanding any other provision of this Agreement, the Borrowers shall not be entitled to request, or to elect to convert or continue, any Borrowing as a Term SOFR Loan or a Eurocurrency Loan if the Interest Period requested with respect thereto would end after the Revolving Maturity Date in the case of a Revolving Loan, the Term A Loan Maturity Date, in the case of a Term A Loan, or the Term B Loan Maturity Date, in the case of a Term B Loan, as applicable.

Section 2.03 Requests for Borrowings. To request a Revolving Borrowing or Term Borrowing, the applicable Borrower shall provide written notice to the Administrative Agent of such request by (a) in the case of a Term SOFR Borrowing, not later than 12:00 noon, Local Time, three (3) U.S. Government Securities Business Days before the date of the proposed Borrowing, (b) in the case of a Eurocurrency Borrowing, not later than 12:00 noon, Local Time, three (3) Business Days before the date of the proposed Borrowing or (c) in the case of an ABR

Borrowing, not later than 12:00 noon, Local Time, one (1) Business Day before the date of the proposed Borrowing; provided that any such notice of an ABR Revolving Borrowing to finance the reimbursement of an LC Disbursement as contemplated by Section 2.05(g) may be given not later than 11:00 a.m., Local Time on the date of the proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by email to the Administrative Agent of a written Borrowing Request in a form approved by the Administrative Agent and signed by the applicable Borrower. Each such written Borrowing Request shall specify the following information in compliance with Section 2.02:

- (a) whether the requested Borrowing is to be a Revolving Borrowing, or a Term Borrowing (and, as applicable, the Class of such Borrowing);
- (b) the identity of the Borrower and the aggregate amount and currency of such Borrowing, subject to the limitations set forth herein;
- (c) the date of such Borrowing, which shall be a Business Day;
- (d) whether such Borrowing is to be an ABR Borrowing, a Term SOFR Borrowing or a Eurocurrency Borrowing, if applicable;
- (e) in the case of a Term Benchmark Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and
- (f) the location and number of the applicable Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.06.

If no election as to the Type of a Borrowing by the Parent Borrower in Dollars is specified, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Term Benchmark Borrowing, then the applicable Borrower shall be deemed to have selected an Interest Period of one (1) month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section 2.03, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

Section 2.04 Swingline Loans.

(a) Commitment. Subject to the terms and conditions set forth herein, the Swingline Lender agrees to make Swingline Loans to any Borrower from time to time during the Revolving Availability Period, in Dollars in an aggregate principal amount at any time outstanding that will not result in (i) the Dollar Equivalent of the aggregate principal amount of outstanding Swingline Loans exceeding \$150,000,000, (ii) the Dollar Equivalent of the total Revolving Exposures exceeding the total Revolving Commitments, (iii) [reserved] or (iv) the Dollar Equivalent of the aggregate Multicurrency Revolving Exposure exceeding the Multicurrency Revolving Sublimit; provided that the Swingline Lender shall not be required to make a Swingline Loan to refinance an outstanding Swingline Loan. Within the foregoing limits and subject to the terms and conditions set forth herein, the relevant Borrower may borrow, prepay and reborrow Swingline Loans.

(b) Borrowing Procedure. To request a Swingline Loan, the applicable Borrower shall notify the Administrative Agent of such request by telephone or written

notice (including by email), not later than 12:00 noon, Local Time on the day of a proposed Swingline Loan. Each such notice shall be irrevocable and shall specify the name of the Borrower, the requested date (which shall be a Business Day) and the amount and currency of the requested Swingline Loan. The Administrative Agent will promptly advise the Swingline Lender of any such notice received from such Borrower. The Swingline Lender shall make each Swingline Loan available to the applicable Borrower by means of a credit to the general deposit account of the applicable Borrower with the Swingline Lender or by wire transfer, automated clearinghouse debit or interbank transfer to such other account, accounts or Persons designated by the applicable Borrower in the applicable request (or, in the case of a Swingline Loan made to finance the reimbursement of an LC Disbursement as provided in Section 2.05(e), by remittance to the applicable Issuing Bank) by 3:00 p.m., Local Time, on the requested date of such Swingline Loan.

(c) Revolving Lender Participation in Swingline Loans. The Swingline Lender may by written notice given to the Administrative Agent not later than 10:00 a.m., Local Time, on any Business Day require the Revolving Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding. Such notice shall specify the aggregate amount of Swingline Loans in which Revolving Lenders will participate. Promptly upon receipt of such notice, the Administrative Agent will give notice thereof to each applicable Revolving Lender, specifying in such notice such Lender's Applicable Percentage of such Swingline Loan or Loans. Each Revolving Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Lender's Applicable Percentage of such Swingline Loan or Loans in Dollars. Each Revolving Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Revolving Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner as provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply, *mutatis mutandis*, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Revolving Lenders. The Administrative Agent shall notify the applicable Borrower in writing of any participations in any Swingline Loan acquired pursuant to this paragraph, and thereafter payments in respect of such Swingline Loan shall be made to the Administrative Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from the applicable Borrower (or other party on behalf of the applicable Borrower) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Revolving Lenders that shall have made their payments pursuant to this paragraph and to the Swingline Lender, as their interests may appear; provided that any such payment so remitted shall be repaid to the Swingline Lender or to the Administrative Agent, as applicable, if and to the extent such payment is required to be refunded to the applicable Borrower (or such other Person) for any reason. The purchase of participations in a Swingline Loan pursuant to this paragraph shall not relieve the applicable Borrower of any default in the payment thereof.

Section 2.05 Letters of Credit.

(a) General. Subject to the terms and conditions set forth herein, any Borrower may request the issuance of Letters of Credit denominated in Dollars or Alternative Currencies for such Borrower's own account (or the account of any of its Restricted

Subsidiaries), in a form reasonably acceptable to the Administrative Agent and the applicable Issuing Bank, at any time and from time to time during the Revolving Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the applicable Borrower to, or entered into by the applicable Borrower with, any Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto, and from and after the Restatement Effective Date shall be subject to and governed by the terms and conditions hereof.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit (other than an automatic renewal permitted pursuant to paragraph (c) of this Section)), the applicable Borrower shall provide written notice (including by email) to the applicable Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with clause (c) of this Section 2.05), the amount and proposed currency of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by the applicable Issuing Bank, the applicable Borrower also shall submit a letter of credit application on such Issuing Bank's standard form in connection with any request for a Letter of Credit (but any default or breach under such application and not hereunder shall not give rise to a Default or Event of Default hereunder). A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the applicable Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, (i) the Dollar Equivalent of the LC Exposure shall not exceed \$150,000,000 (the "Letter of Credit Facility Amount"), (ii) the Dollar Equivalent of the total Revolving Exposures shall not exceed the total Revolving Commitments, (iii) [reserved], (iv) to the extent a Letter of Credit has been requested to be issued, amended, renewed or extended in an Alternative Currency, the USD/Multicurrency Revolving Exposure shall not exceed the USD/Multicurrency Revolving Commitment and (v) to the extent a Letter of Credit has been requested to be issued, amended, renewed or extended in an Alternative Currency, the Dollar Equivalent of the aggregate Multicurrency Revolving Exposure shall not exceed the Multicurrency Revolving Sublimit; provided that no Issuing Bank shall have any obligation to (x) issue trade or commercial Letters of Credit without its consent or (y) issue Letters of Credit in an amount in excess of its Applicable Percentage of the Letter of Credit Facility Amount (it being understood and agreed that any Issuing Bank may issue Letters of Credit in excess of such amount in its sole discretion upon request of the Borrower); provided, further that no Issuing Bank shall be under any obligation to issue any Letter of Credit if any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the Issuing Bank from issuing the Letter of Credit, or any Law applicable to the Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the Issuing Bank shall prohibit, or request that the Issuing Bank refrain from, the issuance of letters of credit generally or the Letter of Credit in particular or shall impose upon the Issuing Bank with respect to the Letter of Credit any restriction, reserve or capital requirement (for which the Issuing Bank is not otherwise

compensated hereunder) not in effect on the Restatement Effective Date, or shall impose upon the Issuing Bank any unreimbursed loss, cost or expense which was not applicable on the Restatement Effective Date and which the Issuing Bank in good faith deems material to it.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date one (1) year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one (1) year after such renewal or extension) provided that any Letter of Credit with a one-year term may provide for the automatic renewal thereof for additional one-year periods not to extend past the date in clause (ii), below unless the applicable Borrower shall have made arrangements reasonably satisfactory to the applicable Issuing Bank) and (ii) the date that is five (5) Business Days prior to the Revolving Maturity Date unless the applicable Borrower shall have made arrangements reasonably satisfactory to the applicable Issuing Bank with respect to cash collateralizing or backstopping such Letter of Credit.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the applicable Issuing Bank or the Lenders, such Issuing Bank hereby grants to each Revolving Lender, and each Revolving Lender hereby acquires from such Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage (or in the case of a Letter of Credit denominated in an Alternative Currency, the USD/Multicurrency Applicable Percentage) of the aggregate amount available to be drawn under such Letter of Credit; provided that no Revolving Lender shall be obligated to participate in any Letter of Credit if, as of the date of issuance of such Letter of Credit (after giving effect to such issuance), such Revolving Lender's Revolving Exposure would exceed its Revolving Commitment. In consideration and in furtherance of the foregoing, each Revolving Lender hereby absolutely and unconditionally agrees to pay (in Dollars, which in the case of a Letter of Credit not denominated in Dollars shall be determined based on the Dollar Equivalent, using the applicable Spot Rate in effect on the date such payment is required) to the Administrative Agent, for the account of the applicable Issuing Bank, such Lender's Applicable Percentage (or in the case of a Letter of Credit denominated in an Alternative Currency, such Lender's USD/Multicurrency Applicable Percentage) of each LC Disbursement made by such Issuing Bank and not reimbursed by the applicable Borrower on the date due as provided in clause (e), of this Section 2.05, or of any reimbursement payment required to be refunded to the applicable Borrower for any reason. Notwithstanding anything herein to the contrary, the Administrative Agent may, in its reasonable discretion, take such actions as it deems advisable to allocate Letters of Credit and participations therein between any revolving facilities outstanding hereunder; it being understood that, subject to the preceding sentence, Dollar denominated Letters of Credit shall be allocated (and participated in and paid) under the Revolving Facility in accordance with the Lenders' respective Revolving Commitments. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If any Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the applicable Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement in the relevant currency not later than 4:00 p.m., Local Time, on the first Business Day after such LC Disbursement is made if the applicable Borrower shall have received notice of such LC Disbursement prior to 10:00 a.m., Local Time, on the date such LC Disbursement is made, or, if such notice has not been received by the applicable Borrower prior to such time on such date such notice shall be deemed received on the next day and then not later than 1:00 p.m., Local Time, on the Business Day immediately following the day that the applicable Borrower is deemed to have received such notice; provided that the applicable Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Sections 2.03 or 2.04 that such payment be financed with an ABR Revolving Borrowing (in the case of a payment in Dollars), a Eurocurrency Borrowing (in the case of a payment in an Alternative Currency) or Swingline Loan in an equivalent amount and, to the extent so financed, the applicable Borrower's obligation to make such payment shall be discharged and replaced by the resulting applicable Borrowing, or, if applicable, Swingline Loan. If the applicable Borrower fails to make such payment when due, then (A) if such payment relates to a Foreign Currency Letter of Credit, automatically and with no further action required, such Borrower's obligation to reimburse the applicable LC Disbursement shall be permanently converted into an obligation to reimburse the Dollar Equivalent, calculated using the applicable Spot Rate on the date when such payment was due, of such LC Disbursement and (B) in the case of each LC Disbursement the Administrative Agent shall notify each Revolving Lender of the applicable LC Disbursement, the payment then due from the applicable Borrower in respect thereof and such Lender's Applicable Percentage (or in the case of a Letter of Credit denominated in Alternative Currency, the USD/Multicurrency Applicable Percentage) thereof. Promptly following receipt of such notice, each Revolving Lender shall pay to the Administrative Agent in Dollars its Applicable Percentage (or in the case of a Letter of Credit denominated in Alternative Currency, the USD/Multicurrency Applicable Percentage) of the payment then due from the applicable Borrower, in the same manner as provided in Section 2.06 with respect to Loans made by such Lender (and Section 2.06 shall apply, mutatis mutandis, to the payment obligations of the Revolving Lenders), and the Administrative Agent shall promptly pay to the applicable Issuing Bank the amounts so received by it from the Revolving Lenders. Promptly following receipt by the Administrative Agent of any payment from the Parent Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to the applicable Issuing Bank or, to the extent that Revolving Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Lenders and such Issuing Bank as their interests may appear. Any payment made by a Revolving Lender pursuant to this paragraph to reimburse the applicable Issuing Bank for any LC Disbursement (other than the funding of ABR Revolving Loans (in the case of a payment in Dollars), Eurocurrency Revolving Loans (in the case of an Alternative Currency) or a Swingline Loan as contemplated above) shall not constitute a Loan and shall not relieve the Borrowers of their obligation to reimburse such LC Disbursement in accordance with this Section 2.05(e).

(f) Obligations Absolute. Each Borrower's obligation to reimburse LC Disbursements as provided in clause (e) of this Section 2.05 shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or any Loan Document, or any term or

provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by any Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 2.05, constitute a legal or equitable discharge of, or provide a right of setoff against, any Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor any Issuing Bank, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the applicable Issuing Bank; provided that the foregoing shall not be construed to excuse the applicable Issuing Bank or its Related Parties from liability to the applicable Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the applicable Borrower to the extent permitted by applicable Law) suffered by the applicable Borrowers that are caused by such Issuing Bank's gross negligence, willful misconduct, material breach of a Loan Document or failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof (in each case, as determined by a final non-appealable judgment of a court of competent jurisdiction). The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of, or material breach of the terms of the Loan Documents by, the applicable Issuing Bank, such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the applicable Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The applicable Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The applicable Issuing Bank shall promptly notify the Administrative Agent and the applicable Borrower by telephone or written notice (including email) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the applicable Borrower of its obligation to reimburse the applicable Issuing Bank and the Revolving Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If the applicable Issuing Bank shall make any LC Disbursement, then, unless the applicable Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the applicable Borrower reimburses such LC Disbursement, (i) in the case of LC

Disbursements made in Dollars, and at all times following the conversion to Dollars of an LC Disbursement made in an Alternative Currency pursuant to clause (e) above, at the rate per annum then applicable to ABR Revolving Loans and (ii) in the case of LC Disbursements made in Alternative Currency, and at all times prior to their conversion to Dollars pursuant to clause (e) above, at the rate applicable to Eurocurrency Loans denominated in such Alternative Currency with an Interest Period of one (1) month's duration determined on the date such LC Disbursement is made; provided that, if the applicable Borrower fails to reimburse such LC Disbursement when due pursuant to clause (g) of this Section 2.05, then Section 2.13(d) shall apply. Interest accrued pursuant to this paragraph shall be paid to the Administrative Agent for the account of the applicable Issuing Bank, except that interest accrued on and after the date of payment by any Revolving Lender pursuant to clause (e) of this Section 2.05 to reimburse such Issuing Bank shall be for the account of such Revolving Lender to the extent of such payment.

(i) Replacement of an Issuing Bank. An Issuing Bank may be replaced at any time by written agreement among the Parent Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Revolving Lenders of any such replacement of an Issuing Bank. At the time any such replacement shall become effective, the Borrowers shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.12(b). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of such retiring Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to include such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the applicable Borrower receives notice from the Administrative Agent or the Required Lenders demanding the deposit of cash collateral pursuant to this paragraph, the applicable Borrower shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders, an amount in cash in Dollars or, if applicable, Alternative Currency equal to the LC Exposure as of such date plus any accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to any Borrower described in clause (g) or (h) of Section 8.01. Each such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the relevant Obligations. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrowers' risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Monies in such account shall be applied by the Administrative Agent to reimburse the applicable Issuing Bank for LC Disbursements for which it has not been reimbursed and, to

the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the relevant Borrowers for the LC Exposure at such time, if the maturity of the Loans has been accelerated (but subject to the consent of Revolving Lenders with LC Exposure representing greater than 50% of the total LC Exposure), be applied to satisfy other obligations of the relevant Borrowers under this Agreement. If any Borrower is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the applicable Borrower within three (3) Business Days following a request to do so after all Events of Default have been cured or waived.

(k) Conversion. In the event that the Loans become immediately due and payable on any date pursuant to Section 8.01, all amounts (i) that a Borrower is at the time or thereafter becomes required to reimburse or otherwise pay to the Administrative Agent in respect of LC Disbursements made under any Foreign Currency Letter of Credit (other than amounts in respect of which such Borrower has deposited cash collateral pursuant to clause (j) above, if such cash collateral was deposited in the applicable Alternative Currency to the extent so deposited or applied), (ii) that the Lenders are at the time or thereafter become required to pay to the Administrative Agent and the Administrative Agent is at the time or thereafter becomes required to distribute to the applicable Issuing Bank pursuant to clause (e) of this Section 2.05 in respect of unreimbursed LC Disbursements made under any Foreign Currency Letter of Credit and (iii) of each Lender's participation in any Foreign Currency Letter of Credit under which an LC Disbursement has been made shall, automatically and with no further action required, be converted into the Dollar Equivalent, calculated using the applicable Spot Rates on such date (or in the case of any LC Disbursement made after such date, on the date such LC Disbursement is made), of such amounts. On and after such conversion, all amounts accruing and owed to the Administrative Agent, the applicable Issuing Bank or any Lender in respect of the obligations described in this clause (k) shall accrue and be payable in Dollars at the rates otherwise applicable hereunder.

(l) Applicability of ISP. Unless otherwise expressly agreed by the Issuing Bank and the Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), the rules of the ISP shall apply to each standby Letter of Credit.

Section 2.06 Funding of Borrowings.

(a) By Lenders. Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 12:00 noon, Local Time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders; provided that Swingline Loans shall be made as provided in Section 2.04. The Administrative Agent will make such Loans available to the applicable Borrower by promptly crediting the amounts so received, in like funds, to an account of the applicable Borrower maintained with the Administrative Agent or by wire transfer, automated clearing house debit or interbank transfer to such other account, accounts or Persons designated by the applicable Borrower in the applicable Borrowing Request; provided that Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.05(e) shall be remitted by the Administrative Agent to the applicable Issuing Bank.

(b) Fundings Assumed Made. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with clause (a) of this Section 2.06 and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand (without duplication) such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the applicable Borrower, the interest rate applicable to ABR Loans, or if applicable for Borrowings denominated in an Alternative Currency, a rate determined in a customary manner in good faith by the Administrative Agent. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing. If the applicable Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the applicable Borrower the amount of such interest paid by the applicable Borrower for such period. Any payment by the applicable Borrower shall be without prejudice to any claim the applicable Borrower may have against a lender that shall have failed to make such payment to the Administrative Agent.

(c) Affiliate Loans. In respect of a Loan or Loans to a particular Borrower ("Designated Loans") a Lender (a "Designating Lender") may at any time and from time to time designate (by written notice to the Agents and the Parent Borrower) (i) a substitute office from which it will make Designated Loans (a "Substitute Facility Office") or (ii) nominate an Affiliate to act as the Lender of Designated Loans (a "Substitute Affiliate Lender"). In furtherance of the foregoing:

(i) A notice to nominate a Substitute Affiliate Lender shall be substantially in the form of Exhibit G hereto and be countersigned by the relevant Substitute Affiliate Lender confirming it will be bound as a Lender under this Agreement in respect of the Designated Loans in respect of which it acts as Lender.

(ii) The Designating Lender will act as the representative of any Substitute Affiliate Lender it nominates for all administrative purposes under this Agreement. The Loan Parties, the Agents and the Secured Parties will be entitled to deal only with the Designating Lender, except that payments will be made in respect of Designated Loans to the Substitute Facility Office or the Substitute Affiliate Lender, as applicable. For the avoidance of doubt, the Commitments of the Designating Lender will not be treated as reduced by the introduction of the

Substitute Affiliate Lender for voting purposes under this Agreement or the other Loan Documents.

(iii) Other than as specified in clause (ii) above, a Substitute Affiliate Lender will be treated as a Lender for all purposes under the Loan Documents and having a Commitment equal to the principal amount of all Designated Loans in which it is participating if and for so long as it continues to be a Substitute Affiliate Lender under this Agreement.

(iv) A Designating Lender may revoke its designation of an Affiliate as a Substitute Affiliate Lender by notice in writing to the Agents and the Parent Borrower; provided that such notice may only take effect when there are no Designated Loans outstanding to the Substitute Affiliate Lender. Upon such Substitute Affiliate Lender ceasing to be a Substitute Affiliate Lender, the Designating Lender will automatically assume (and be deemed to assume without further action by any Person) all rights and obligations previously vested in the Substitute Affiliate Lender.

(v) If a Designating Lender designates a Substitute Facility Office or Substitute Affiliate Lender in accordance with this Section 2.06(c), any Substitute Affiliate Lender shall be treated for the purposes of Section 2.17 as having become a Lender on the date of this Agreement.

Section 2.07 Interest Elections.

(a) Conversion and Continuation. Each Revolving Borrowing and Term Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Term Benchmark Borrowing shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the applicable Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Term Benchmark Borrowing may elect Interest Periods therefor, all as provided in this Section 2.07. The applicable Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. This Section shall not apply to Swingline Borrowings, which may not be converted or continued.

(b) Delivery of Interest Election Request. To make an election pursuant to this Section 2.07, the applicable Borrower shall notify the Administrative Agent of such election by telephone or written notice (including email) by the time that a Borrowing Request would be required under Section 2.03 if the applicable Borrower were requesting a Revolving Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by email to the Administrative Agent of a written Interest Election Request in a form approved by the Administrative Agent and signed by the applicable Borrower.

(c) Contents of Interest Election Request. Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Agreed Currency and principal amount of Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv), below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether, in the case of Loans denominated in Dollars, the resulting Borrowing is to be an ABR Borrowing or a Term SOFR Borrowing, if applicable; and

(iv) if the resulting Borrowing is a Term Benchmark Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period."

If any such Interest Election Request requests a Term Benchmark Borrowing but does not specify an Interest Period, then the applicable Borrower shall be deemed to have selected an Interest Period of one (1) month's duration.

(d) Notice to the Lenders. Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) Automatic Conversion. If the applicable Borrower fails to deliver a timely Interest Election Request with respect to a Term Benchmark Borrowing prior to the third Business Day prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, in the case of Borrowings denominated in Dollars, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing or, in the case of Borrowings denominated in Alternative Currencies, the applicable Borrower shall be deemed to have selected that such Term Benchmark Borrowing shall automatically be continued as a Term Benchmark Borrowing in its original Agreed Currency with an Interest Period of one month at the end of such Interest Period.

(f) Limitations on Election. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the applicable Borrower in writing, then, so long as an Event of Default is continuing (i) no outstanding Borrowing denominated in Dollars may be converted to or continued as a Term Benchmark Borrowing, (ii) unless repaid, each Term Benchmark Borrowing denominated in Dollars shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto and (iii) each Borrowing denominated in an Alternative Currency shall bear interest at the Central Bank Rate for the applicable Agreed Currency plus the CBR Spread; provided that, if the Administrative Agent determines in its reasonable discretion (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Agreed Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Agreed Currency other than Dollars shall either be (A) converted to an ABR Borrowing denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternative Currency) at the end of the Interest Period, as applicable, therefor or (B) prepaid at the end of the applicable Interest Period, as applicable, in full; provided that if no election is made by the Borrower by

the earlier of (x) the date that is five (5) Business Days after receipt by the Borrower of such notice and (y) the last day of the current Interest Period for the applicable Term Benchmark Loan, the applicable Borrower shall be deemed to have elected clause (A) above.

Section 2.08 Termination and Reduction of Commitments.

(a) Termination Date. Unless previously terminated, (i) the Term Commitments with respect to the Term Loans shall terminate upon the making of such Term Loans on the Restatement Effective Date and (ii) the Revolving Commitments shall terminate on the Revolving Maturity Date.

(b) Optional Termination or Reduction. The Parent Borrower may at any time terminate, or from time to time reduce, the Commitments of any Class; provided that (i) each reduction of the Commitments of any Class shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 (or, if less, the remaining amount of the relevant Commitments) and (ii) the Parent Borrower shall not terminate or reduce the Revolving Commitments if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 2.11, (A) any Lender's Revolving Exposure exceeds such Lender's Revolving Commitment, (B) the aggregate Revolving Exposure of all Lenders exceeds the aggregate Revolving Commitment of all Lenders, (C) [reserved] or (D) the aggregate USD/Multicurrency Revolving Exposure of all Lenders exceeds the aggregate USD/Multicurrency Revolving Commitments of all Lenders or (E) the Dollar Equivalent of the aggregate Multicurrency Revolving Exposure exceeds the Multicurrency Revolving Sublimit, in each case, calculated based on the Dollar Equivalent amount as of such date of termination or reduction.

(c) Notice of Termination or Reduction. The Parent Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under clause (b) of this Section 2.08 at least three (3) Business Days, or such shorter period as may be agreed by the Administrative Agent, prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Parent Borrower pursuant to this Section 2.08(c) shall be irrevocable; provided that a notice of termination of the Revolving Commitments delivered by the Parent Borrower may state that such notice is conditioned upon the effectiveness of other transactions, in which case such notice may be revoked by the Parent Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments of any Class shall be permanent. Each reduction of the Commitments of any Class shall be made ratably among the Lenders in accordance with their respective Commitments of such Class.

Section 2.09 Repayment of Loans; Evidence of Debt.

(a) Promise to Pay. Each Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Revolving Lender the then unpaid principal amount of each Revolving Loan of such Lender made to such Borrower on the Revolving Maturity Date, (ii) to the Administrative Agent for the account of each Term Lender the then unpaid principal amount of each Term Loan of such Lender made to such Borrower as provided in Section 2.10 and (iii) to the Swingline Lender the then unpaid

principal amount of each Swingline Loan made to such Borrower on the earlier of the Revolving Maturity Date and the day that is ten (10) Business Days after such Swingline Loan is made; provided that on each date that a Revolving Borrowing is made, the Borrowers shall repay all Swingline Loans then outstanding.

(b) Lender Records. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender by such Borrower from time to time hereunder.

(c) Administrative Agent Records. The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the currency, Class and Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders from each Borrower and each Lender's share thereof.

(d) Prima Facie Evidence. The entries made in the accounts maintained pursuant to clause (b) or (c) of this Section 2.09 shall be prima facie evidence of the existence and amounts of the obligations recorded therein absent manifest error; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement; provided, further, that in the event of any inconsistency between such accounts of the Administrative Agent and any Lender's records, the Administrative Agent's accounts shall govern.

(e) Request for a Note. Any Lender may request that Loans of any Class made by it be evidenced by a promissory note; provided that any such promissory notes to be issued on the Restatement Effective Date shall be requested by the relevant Lender at least three (3) Business Days prior to the Restatement Effective Date. In such event, the applicable Borrower shall prepare, execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 10.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns); provided that in the event of any assignment of Loans evidenced by a promissory note, the applicable Borrower shall not be obligated to execute and deliver a promissory note to the assignee of such Loans unless and until the assignor Lender has returned its promissory note to the relevant Borrower or the relevant Borrower has received a lost note affidavit and indemnity from the assigning Lender in form and substance reasonably acceptable to the relevant Borrower.

Section 2.10 Amortization of Term Loans.

(a) Term A Loans. The Parent Borrower shall repay the Term A Loans in the applicable currency of such Term A Loans in quarterly principal installments as follows:

(i) in the amount of 1.25% of the aggregate principal amount of the Term A Loans made on the Restatement Effective Date, due and payable on the last day of each March, June, September and December, of each year commencing on the last day of such month falling on or after the last day of the first full fiscal quarter of the Parent Borrower following the Restatement Effective Date and continuing until the last day of such quarterly period ending immediately prior to the Term A Loan Maturity Date; and

(ii) one final installment in the amount of the relevant Term A Loans then outstanding, due and payable on the Term A Loan Maturity Date;

(b) Term B Loans. The Parent Borrower shall repay the Term B Loans made by it in the applicable currency of such Term B Loans in quarterly principal installments as follows:

(i) in the amount of 0.25% of the aggregate principal amount of the Term B Loans made on the Restatement Effective Date, due and payable on the last day of each March, June, September and December, of each year commencing on the last day of such month falling on or after the last day of the first fiscal quarter of the Parent Borrower following the Restatement Effective Date and continuing until the last day of such quarterly period ending immediately prior to the Term B Loan Maturity Date; and

(ii) one final installment in the amount of the relevant Term B Loans then outstanding, due and payable on the Term B Loan Maturity Date;

Prior to any repayment of any Term Borrowings, the Parent Borrower shall select the Class and Borrowing or Borrowings to be repaid and shall notify the Administrative Agent by telephone (which shall be confirmed promptly by email) or written notice (including email) of such selection not later than 12:00 p.m., Local Time, three (3) Business Days before the scheduled date of such repayment; provided that to the extent the Parent Borrower does not specify in such notice the Borrowing or Borrowings to be repaid the Administrative Agent shall apply such amounts on a *pro rata* basis between all applicable Classes and Borrowings. Each such repayment of a Class and Borrowing shall be applied ratably to the Loans included in the repaid Class and Borrowing. Repayments of Term Borrowings shall be accompanied by accrued interest on the amount repaid.

(c) Incremental Term Loans. In the event any Incremental Term Loans are made, such Incremental Term Loans shall be repaid by each applicable Borrower thereunder in the amounts and on the dates set forth in the Incremental Assumption Agreement with respect thereto and on the applicable maturity date thereof.

(d) Extended Term Loans. In the event any Extended Term Loans are made, such Extended Term Loans shall be repaid by each applicable Borrower in the amounts and on the dates set forth in the Extension Amendment with respect thereto and on the applicable maturity date thereof.

Section 2.11 Prepayment of Loans.

(a) Optional Prepayment. The applicable Borrower shall have the right at any time and from time to time to prepay any Borrowing of any Class in whole or in part without prepayment penalty or premium, subject to the requirements of this Section 2.11 and Section 2.16; provided that in the event that, from the Restatement Effective Date until the date that is six (6) months following the Restatement Effective Date, the Parent Borrower (x) prepays, refinances, substitutes or replaces any Term B Loans in connection with a Repricing Transaction (including, for avoidance of doubt, any prepayment made pursuant to Section 2.22 that constitutes a Repricing Transaction), or (y) effects any amendment of this Agreement resulting in a Repricing Transaction, the relevant Borrower shall pay to the Administrative Agent, for the ratable account of each of the applicable Lenders (1) in the case of clause (x), a prepayment premium of 1.00% of the aggregate principal amount of the Term B Loans so prepaid, refinanced, substituted or replaced and (2) in the case of clause (y), a fee equal to 1.00% of the aggregate principal amount of the applicable Term B Loans outstanding immediately prior to such amendment.

(b) Mandatory Prepayment of Revolving Loans. In the event and on such occasion that (i) such Lender's Revolving Exposure exceeds such Lender's Revolving Commitment, (ii) the aggregate Revolving Exposure of all Lenders exceeds the aggregate Total Revolving Commitment of all Lenders, (iii) [reserved], (iv) the aggregate USD/Multicurrency Revolving Exposure of all Lenders exceeds the aggregate USD/Multicurrency Revolving Commitment of all Lenders or (v) the aggregate Multicurrency Revolving Exposure exceeds the Multicurrency Revolving Sublimit, in each case calculated based on the Dollar Equivalent amount as of the applicable date of determination, the applicable Borrower shall prepay Revolving Borrowings or Swingline Borrowings or cash collateralize any Letters of Credit in an aggregate amount to eliminate such excess.

Upon the incurrence by the Parent Borrower or any Restricted Subsidiary of any Specified Refinancing Debt constituting revolving credit facilities, the Borrowers shall prepay Revolving Loans and terminate Revolving Commitments in an aggregate principal amount equal to 100% of all Net Proceeds received therefrom immediately upon receipt thereof by the Parent Borrower or such Restricted Subsidiary.

(c) Mandatory Prepayments from Net Proceeds of Prepayment Event. In the event and on each occasion that any Net Proceeds are received by or on behalf the Parent Borrower or any Restricted Subsidiary in respect of any Prepayment Event, the Parent Borrower shall, within three (3) Business Days after such Net Proceeds are received, prepay or cause to be prepaid Term Borrowings (on a ratable basis among any outstanding Term A EUR Loans, Term A USD Loans, Term B USD Loans and Term B EUR Loans based on the

outstanding principal amounts thereof) in an aggregate amount equal to 100% of the amount of such Net Proceeds; provided that:

(i) subject to the terms of clause (iii) below, in the case of any event described in clauses (a) or (b) of the definition of the term "Prepayment Event", if the Secured Net Leverage Ratio on a Pro Forma Basis for such Prepayment Event as calculated as of the last day of the most recent Test Period (but without netting the Net Cash Proceeds of any such Prepayment Event) is less than or equal to (x) 2.50:1.00, then the Parent Borrower shall only prepay or cause to be prepaid Term Borrowings in an aggregate amount equal to 50% of the Net Proceeds and (y) 2.25:1.00, then no prepayment will be required under this clause (c) for such fiscal year;

(ii) subject to the terms of clause (iii) below, in the case of any event described in clauses (a) or (b) of the definition of the term "Prepayment Event", if the Parent Borrower shall deliver to the Administrative Agent a certificate of a Financial Officer to the effect that the Parent Borrower and the Subsidiaries intend to apply the Net Proceeds from such event, within twelve (12) months after receipt of such Net Proceeds, to acquire or replace assets (other than ordinary course current assets, it being understood such limitation shall not apply to the acquisition of any Person or all or substantially all of the assets of a division or branch of such Person) or repair, improve or maintain assets to be used in the business of, or otherwise useful in the operations of, the Parent Borrower and the Restricted Subsidiaries, then no prepayment shall be required pursuant to this clause (c) in respect of such event except to the extent of any Net Proceeds therefrom that have not been so applied within twelve (12) months (or in the case of a binding commitment in respect of an application within such twelve (12) months, eighteen (18) months) after receipt of such Net Proceeds, at which time a prepayment shall be required in an amount equal to the Net Proceeds that have not been so applied and

(iii) Net Proceeds from any Prepayment Event shall not be required to be used to prepay Term Borrowings under this clause (c) if (A) the aggregate amount of Net Proceeds received from any such individual Prepayment Event, together with any other Prepayment Events which are in connection with the same transaction or related series of transactions, do not exceed \$7,500,000 and (B) the aggregate amount of Net Proceeds received from all Prepayment Events in any fiscal year would not exceed \$7,500,000.

(d) Excess Cash Flow Prepayment. Following the end of each Applicable Fiscal Year, the Parent Borrower shall prepay Term Loans (ratably in accordance with the outstanding amount of each Class thereof) in an aggregate amount equal to the sum of: (i) 50% of Excess Cash Flow for such Applicable Fiscal Year; minus (ii) the aggregate amount of voluntary prepayments made on the Term Loans during such Applicable Fiscal Year or on or prior to the date such Excess Cash Flow payment is due (other than prepayments funded

with the proceeds of long-term Indebtedness (other than revolving Indebtedness) and without duplication for any deduction of any such prepayment in respect of the prior fiscal year but including Loans repurchased pursuant to Dutch auctions or open market purchases in an amount equal to the discounted purchase price of such Loans paid in respect of such Loans pursuant to such Dutch auction or open market purchase); minus (iii) the aggregate amount of voluntary prepayments made on the Revolving Loans during such Applicable Fiscal Year or on or prior to the date such Excess Cash Flow payment is due (and without duplication for any deduction of any such prepayment in respect of the prior fiscal year) that were accompanied by a permanent reduction of the Revolving Commitments. Each prepayment pursuant to this clause (d) shall be made within five (5) Business Days after the date on which financial statements are delivered pursuant to Section 5.01(a) with respect to the Applicable Fiscal Year for which Excess Cash Flow is being calculated; provided that if the Secured Net Leverage Ratio as calculated as of the last day of the relevant Applicable Fiscal Year is (x) less than or equal to 2.50:1.00, then the 50% threshold above shall be reduced to 25% and (y) less than or equal to 2.25:1.00, no prepayment will be required under this clause (d) for such fiscal year; provided, further, that no prepayment will be required under this clause (d) for such fiscal year if the aggregate amount of such prepayment would not exceed \$10,000,000. As used in this clause, the term “Applicable Fiscal Year” means each fiscal year, beginning with the first full fiscal year ending after the Restatement Effective Date.

(e) Repatriation Considerations. Notwithstanding any other provisions of Sections 2.11(c) and (d), (i) to the extent that (and for so long as) any of or all the Net Proceeds of any Prepayment Event giving rise to a mandatory prepayment pursuant to Sections 2.11(c) in respect of the assets of any Restricted Subsidiary or any Excess Cash Flow prepayment required pursuant to Section 2.11(d) attributable to the Consolidated Net Income of any Restricted Subsidiary in either case are prohibited or restricted by (1) applicable local Law from being repatriated to the jurisdiction of organization of the Parent Borrower, taking into account matters such as financial assistance, corporate benefit restrictions and the fiduciary and statutory duties of the directors of the Parent Borrower and its Subsidiaries or (2) material constituent document restrictions (including as a result of minority ownership by third parties) and other material agreements (so long as any prohibition is not created in contemplation of such prepayment), an amount equal to the portion of such Net Proceeds so affected will not be required to be applied to repay Term Loans at the times provided in Section 2.05(c) but may be retained by the applicable Restricted Subsidiary so long as the applicable local Law or in respect of such other restrictions will not permit such repatriation to the Parent Borrower (the Parent Borrower hereby agreeing to cause the applicable Restricted Subsidiary to promptly take commercially reasonable actions available under applicable local Law or such other restrictions to permit such repatriation or a part thereof if full repatriation is not permitted) or such conflict or risk exists, and if such repatriation of any such affected Net Proceeds or Excess Cash Flow is permitted under the applicable local Law and such conflict or risk no longer exists, an amount equal to such Net Proceeds and/or Excess Cash Flow not previously paid will be promptly applied to the Term Loans pursuant Section 2.11(c) and Section 2.11(d) and (ii) to the extent that the Parent Borrower has determined in good faith that repatriation of (x) any of or all of the Net Proceeds of any Prepayment Event or (y) any portion of any Excess Cash

Flow prepayment required pursuant to Section 2.11(d), attributable to the Consolidated Net Income of any Restricted Subsidiary to the jurisdiction of organization of the Parent Borrower would have a material adverse Tax consequence with respect to such Net Proceeds or Excess Cash Flow (taking into account any foreign tax credit or benefit that would be realized in connection with such repatriation), the Net Proceeds or Excess Cash Flow so affected will not be required to be applied to repay the Term Loans at the times provided in this Section 2.11 but may be retained by the applicable Restricted Subsidiary until such time as it may repatriate such amount without incurring such material adverse Tax consequences (at which time such amount shall be repatriated to the Parent Borrower and applied to repay the Term Loans to the extent provided herein).

(f) Notice of Prepayment; Application of Prepayments. The applicable Borrower shall notify the Administrative Agent (and, in the case of prepayment of a Swingline Loan, the Swingline Lender) by telephone (followed by written confirmation) or written notice (including by email) of any optional prepayment under Section 2.11(a) (i) in the case of prepayment of a Term SOFR Borrowing, not later than 11:30 a.m., New York City time, three (3) U.S. Government Securities Business Days before the date of prepayment, (ii) in the case of prepayment of a Eurocurrency Borrowing, not later than 11:30 a.m., Local Time (or such later time as the Administrative Agent may agree), three (3) Business Days before the date of prepayment, (iii) in the case of prepayment of an ABR Borrowing, not later than 11:30 a.m., Local Time (or such later time as the Administrative Agent may agree), one (1) Business Day before the date of prepayment or (iv) in the case of prepayment of a Swingline Loan, not later than 12:00 noon, Local Time, (or such later time as the Administrative Agent may agree), on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date, the principal amount of each Borrowing or portion thereof to be prepaid and, in the case of a mandatory prepayment, a reasonably detailed calculation of the amount of such prepayment; provided that, a notice of optional prepayment delivered by the applicable Borrower may state that such notice is conditioned upon the effectiveness of other transactions, in which case such notice of prepayment may be revoked by the applicable Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Promptly following receipt of any such notice (other than a notice relating solely to Swingline Loans), the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02, except as necessary to apply fully the required amount of a mandatory prepayment. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.13. Prepayments of Term Loans shall be applied (i) in the case of prepayments pursuant to Section 2.11(a), to each Class of Term Loans as directed by the Parent Borrower (and absent any such direction, *pro rata* among all Classes of Term Loans), to the scheduled installments thereof in the manner specified by the applicable Borrower and (ii) in the case of prepayments pursuant to Section 2.11(c) or (d), *pro rata* among all Classes of Term Loans to the scheduled installments in the manner specified by the applicable Borrower (and absent any direction, in direct order of maturity of remaining amortization payments); provided, that, notwithstanding anything else set forth in this Section to the contrary, and without duplication of the

parenthetical in clause (b)(ii) of the definition of Net Proceeds, any other Indebtedness permitted under Section 6.01 that is secured, on an equal and ratable basis with the Term Loans, by a Lien on the Collateral that is permitted under Section 6.02, may participate in mandatory prepayments pursuant to Section 2.11(c) or (d), on a *pro rata* or less than *pro rata* basis to the extent such Indebtedness is required to be prepaid or redeemed with the Net Proceeds or Excess Cash Flow, as applicable, from such mandatory prepayment event.

(g) Refinancing Debt. Upon the incurrence or issuance by the Parent Borrower or any Restricted Subsidiary of any (x) Indebtedness not permitted under this Agreement or (y) Refinancing Notes, any Specified Refinancing Term Loans or any Refinancing Loans, the Borrowers shall prepay an aggregate principal amount of the Class of Term Loans and/or Revolving Loans being refinanced in an amount equal to 100% of all Net Proceeds received therefrom immediately upon receipt thereof by the Parent Borrower or such Restricted Subsidiary in a manner consistent with clause (f) above.

(h) Declined Amount. Other than with respect to repayments pursuant to clause (g), above, the applicable Lenders may elect not to accept any mandatory prepayment (each such Lender, a "Declining Lender"). Any prepayment amount declined by the Declining Lenders (the "Declined Amount") shall be retained by the Parent Borrower.

Section 2.12 Fees.

(a) Commitment Fees. The Parent Borrower agrees to pay to the Administrative Agent for the account of each Revolving Lender a commitment fee, which shall accrue at the Applicable Rate (as applicable to the Revolving Facility Commitment Fee) from time to time on the average daily unused amount of each Revolving Commitment of such Lender during the period from and including the Restatement Effective Date to but excluding the date on which such Revolving Commitment terminates. Accrued commitment fees in respect of the Revolving Commitments shall be payable in arrears on the date which is three (3) Business Days following the last day of each March, June, September and December of each year and on the date on which the Revolving Commitments terminate, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of three hundred and sixty (360) days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). A Revolving Commitment of a Lender shall be deemed to be used to the extent of the outstanding Revolving Loans and LC Exposure of such Lender (and the Swingline Exposure of such Lender shall be disregarded for such purpose).

(b) Letter of Credit Fees. The Parent Borrower agrees to pay:

(i) Participation Fee. To the Administrative Agent for the account of each Revolving Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the Applicable Rate for Term Benchmark Borrowings on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Restatement Effective Date to but

excluding the later of the date on which such Lender's Revolving Commitment terminates and the date on which such Lender ceases to have any LC Exposure;

(ii) Letter of Credit Fronting Fees. To each Issuing Bank a fronting fee with respect to each Letter of Credit issued by such Issuing Bank, which fee shall equal the product of a percentage to be agreed between the Parent Borrower and the relevant Issuing Bank (but in any event not to exceed 0.125% unless otherwise agreed by the Parent Borrower) of the initial stated amount of such Letter of Credit multiplied by a fraction, the numerator of which is the number of days included in the term of such Letter of Credit and whose denominator is 360; and

(iii) Issuing Bank Standard Fees. Each Issuing Bank's standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder.

Participation fees and standby Letter of Credit fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the Restatement Effective Date; provided that: (A) all such fees shall be payable on the date on which the Revolving Commitments terminate; (B) any such fees accruing after the date on which the Revolving Commitments terminate shall be payable on demand; and (C) all fronting fees payable with respect to commercial Letters of Credit shall be payable on the date of the issuance thereof. Any other fees payable to an Issuing Bank pursuant to this paragraph shall be payable within ten (10) days after demand. All participation fees and standby Letter of Credit fronting fees shall be computed on the basis of a year of three hundred and sixty (360) days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) Administrative Agent Fees. The Parent Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Parent Borrower and the Administrative Agent.

(d) Other Fees. The Parent Borrower agrees to pay to the other fees set forth in the Fee Letter as and when required pursuant to the terms of such Fee Letter.

(e) Payment of Fees. All fees payable hereunder shall be paid in Dollars on the dates due, in immediately available funds, to the Administrative Agent (or to the Collateral Agent or any Issuing Bank, in the case of fees payable to it) for distribution, in the case of commitment fees and participation fees, to the Lenders entitled thereto. Fees paid shall not be refundable under any circumstances (absent manifest error in the amount paid).

Section 2.13 Interest.

(a) ABR Borrowings/Swingline Borrowings. The Loans comprising each ABR Borrowing (including each Swingline Loan) shall be denominated in Dollars and shall bear interest at the Alternate Base Rate plus the Applicable Rate for ABR Borrowings.

(b) Term SOFR Borrowings. The Loans comprising each Term SOFR Borrowing shall bear interest at the Adjusted Term SOFR Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate for Term SOFR Borrowings.

(c) Eurocurrency Borrowings. The Loans comprising each Eurocurrency Borrowing shall bear interest at the Adjusted EURIBOR Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate for Eurocurrency Borrowings.

(d) Default Interest. Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee payable by the applicable Borrower hereunder is not paid when due (after giving effect to any applicable grace period), whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% per annum plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section 2.13 or (ii) in the case of any other amount, 2% per annum plus the rate then applicable to ABR Revolving Loans (in the case of amounts owing in Dollars) or Eurocurrency Loans with an Interest Period of one (1) month's duration determined on the date such amounts were due and then on each monthly anniversary thereof (in the case of amounts owing in an Alternative Currency), in each case as provided in clause (a), or if applicable, clause (b), of this Section 2.13.

(e) Payment of Interest. Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan occurring after the Restatement Effective Date and, in the case of Revolving Loans, upon termination of the Revolving Commitments; provided that (i) interest accrued pursuant to clause (c) of this Section 2.13 shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan prior to the end of the Revolving Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Term Benchmark Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(f) Computation. All interest hereunder shall be computed on the basis of a year of three hundred and sixty (360) days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate or other applicable "prime rate" which shall be computed on the basis of a year of 365 days (or 366 in a leap year) and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate, Adjusted Term SOFR Rate and Adjusted EURIBOR Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

Section 2.14 Alternate Rate of Interest.

(a) Subject to clauses (b), (c), (d), (e) and (f) of this Section 2.14, if:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate or the Adjusted EURIBOR Rate (including because the Relevant Screen Rate is not available or published on a current basis), for the applicable Agreed Currency and such Interest Period; or

(ii) the Administrative Agent is advised by the Required Lenders that prior to the commencement of any Interest Period for a Term Benchmark Borrowing, the Adjusted Term SOFR Rate or the Adjusted EURIBOR Rate for the applicable Agreed Currency and such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for the applicable Agreed Currency and such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrowers and the Lenders by telephone or email as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrowers and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark, (A) for Loans denominated in Dollars, any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing and any Borrowing Request that requests a Term Benchmark Borrowing shall instead be deemed to be an Interest Election Request or a Borrowing Request, as applicable, for an ABR Borrowing and (B) for Loans denominated in an Alternative Currency, any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing and any Borrowing Request that requests a Term Benchmark Borrowing shall be ineffective; provided that if the circumstances giving rise to such notice affect only one Type of Borrowings, then all other Types of Borrowings shall be permitted. Furthermore, if any Term Benchmark Loan in any Agreed Currency is outstanding on the date of the Borrower's receipt of the notice from the Administrative Agent referred to in this Section 2.14(a) with respect to the applicable Relevant Rate, then until the Administrative Agent notifies the Borrowers and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark, (A) for Loans denominated in Dollars, any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day), be converted by the Administrative Agent to, and shall constitute, an ABR Loan and (B) for Loans denominated in an Alternative Currency, any Term Benchmark Loan shall, on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day) bear interest at the Central Bank Rate for the applicable Alternative Currency plus the CBR Spread; provided that, if the Administrative Agent determines in its reasonable discretion (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Alternative Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Alternative Currency shall, at the Borrower's election prior to such day: (A) be prepaid by the Borrower on the day that the Borrower received written notice thereof from the Administrative Agent or (B)

solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Alternative Currency shall be deemed to be a Term Benchmark Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Term Benchmark Loans denominated in Dollars at such time.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document (and any Swap Agreement shall be deemed not to be a "Loan Document" for purposes of this Section 2.14), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" with respect to Dollars for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" with respect to any Agreed Currency for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document, the Administrative Agent 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 or any other Loan Document.

(d) The Administrative Agent will promptly notify the Borrowers and the Lenders of (i) any occurrence of (A) a Benchmark Transition Event and (B) the Benchmark Replacement Date with respect thereto, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (e) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.14, 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 or any selection, 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 to this

Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.14.

(e) 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 Rate or EURIBOR Rate) and either (1) 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 or (2) 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 or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (1) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (2) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(f) Upon the Borrowers' receipt of notice of the commencement of a Benchmark Unavailability Period, any Borrower may revoke any request for a Term Benchmark Borrowing of, conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, either (x) such Borrower will be deemed to have converted any request for a Term Benchmark Borrowing denominated in Dollars into a request for a Borrowing of or conversion to an ABR Borrowing or (y) any Term Benchmark Borrowing denominated in an Alternative Currency shall be ineffective. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Alternate Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Alternate Base Rate. Furthermore, if any Term Benchmark Loan in any Agreed Currency is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to the applicable Relevant Rate, then until such time as a Benchmark Replacement for such Agreed Currency is implemented pursuant to this Section 2.14, (A) for Loans denominated in Dollars any Term Benchmark Loan shall on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day) be converted by the Administrative Agent to, and shall constitute, an ABR Loan denominated in Dollars on such day and (B) for Loans denominated in an Alternative Currency, any Term Benchmark Loan shall, on the last day of the Interest Period applicable to such Loan (or the next succeeding Business Day if such day is not a Business Day) bear interest at the Central Bank Rate for the applicable Alternative Currency plus the CBR Spread; ~~provided~~ that, if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that the Central Bank Rate for the applicable Alternative Currency cannot be determined, any outstanding affected

Term Benchmark Loans denominated in any Alternative Currency shall, at the Borrower's election prior to such day: (1) be prepaid by the Borrower on such day or (2) solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Alternative Currency shall be deemed to be a Term Benchmark Loan denominated in Dollars and shall accrue interest at the same interest rate applicable to Term Benchmark Loans denominated in Dollars at such time.

Section 2.15 Increased Costs.

(a) Change In Law. If any Change in Law shall:

- (i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted EURIBOR Rate) or any Issuing Bank; or
- (ii) subject any Lender or any Issuing Bank to any Taxes (other than Indemnified Taxes and Excluded Taxes) on its Loans, loan principal, Letters of Credit, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto
- (iii) impose on any Lender or any Issuing Bank or the applicable offshore interbank market for the applicable Agreed Currency any other condition (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Term Benchmark Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or such Issuing Bank of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or such Issuing Bank hereunder (whether of principal, interest or otherwise), then the Borrowers will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Adequacy. If any Lender or any Issuing Bank determines that any Change in Law regarding capital adequacy, insurance or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such Issuing Bank's capital or on the capital of such Lender's or such Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Bank's policies and the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy, insurance or liquidity), then from time to time upon request of such Lender or such Issuing Bank, the Borrowers will

pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company for any such reduction suffered.

(c) Delivery of Certificate. A certificate of a Lender or an Issuing Bank setting forth the amount or amounts in good faith necessary to compensate such Lender or such Issuing Bank or its holding company, as the case may be, as specified in clause (a) or (b) of this Section 2.15 shall be delivered to the Parent Borrower and shall be conclusive absent manifest error. The Borrowers shall pay such Lender or such Issuing Bank, as the case may be, the amount shown as due on any such certificate within thirty (30) days after receipt thereof.

(d) Limitation on Compensation. Failure or delay on the part of any Lender or any Issuing Bank to demand compensation pursuant to this Section 2.15 shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; provided that the Borrowers shall not be required to compensate a Lender or an Issuing Bank pursuant to this Section 2.15 for any increased costs or reductions incurred more than one hundred eighty (180) days prior to the date that such Lender or such Issuing Bank, as the case may be, notifies the Parent Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such Issuing Bank's intention to claim compensation therefor; provided, further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(e) Notwithstanding anything contained herein to the contrary, a Lender shall not be entitled to any compensation pursuant to this Section 2.15 to the extent such Lender is not imposing such charges or requesting such compensation from borrowers (similarly situated to the Borrowers hereunder) under comparable syndicated credit facilities as a matter of general practice and policy.

(f) Illegality. If any Lender determines that any Change in Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Term SOFR Loans or Eurocurrency Loans, or to determine or charge interest rates based upon Term SOFR or the EURIBOR Rate, then, on notice thereof by such Lender to the Borrowers through the Administrative Agent, any obligation of such Lender to make or continue Term SOFR Loans or Eurocurrency Loans or to convert ABR Loans to Term SOFR Loans or Eurocurrency Loans shall be suspended until such Lender notifies the Administrative Agent and the Borrowers that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all applicable Term SOFR Loans or Eurocurrency Loans of such Lender to ABR Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Term SOFR Loans or Eurocurrency Loans to such day, or promptly, if such Lender may not lawfully continue to maintain such Term SOFR Loans or Eurocurrency Loans. Upon any such prepayment or

conversion, the Borrowers shall also pay accrued interest on the amount so prepaid or converted and all amounts due, if any, in connection with such prepayment or conversion under Section 2.16.

Section 2.16 Break Funding Payments. In the event of (a) the payment of any principal of any Term Benchmark Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert to or from, continue as or prepay any Term Benchmark Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(f) and is revoked in accordance therewith), or (d) the reallocation of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the applicable Borrower pursuant to Section 2.19 or Section 2.20, then, in any such event, the applicable Borrower shall compensate each Lender for the actual loss, cost and expense (excluding any loss of margin) attributable to such event. Such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted Term SOFR or Adjusted EURIBOR Rate that would have been applicable to such Loan (but not including the Applicable Rate applicable thereto), for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for deposits of the applicable currency and of a comparable amount and period from other banks in the applicable market for the applicable Agreed Currency, it being understood that such loss, cost or expense shall in any case exclude any interest rate floor and all administrative, processing or similar fees. Any Lender requesting compensation under this Section 2.16 shall be required to deliver a certificate to the Parent Borrower that sets forth any amount or amounts that such Lender is entitled to receive pursuant to this Section, the basis therefor and, in reasonable detail, the manner in which such amount or amounts were determined, which certificate shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender the amount shown as due on any such certificate within thirty (30) days after receipt thereof. Notwithstanding anything contained in the forgoing provisions, no Lender shall be entitled to any compensation from the applicable Borrower under this Section 2.16 unless such Lender is generally charging the relevant amounts to similarly situated borrowers under comparable syndicated credit facilities as a matter of general practice and policy.

Section 2.17 Taxes.

(a) Gross Up. Except as required by applicable Law, any and all payments by or on account of any obligation of a Loan Party hereunder or under any other Loan Document shall be made free and clear of and without deduction for any Indemnified Taxes; provided that if the applicable Withholding Agent shall be required to deduct any

Indemnified Taxes from such payments, then (i) the sum payable by the applicable Loan Party shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) any Agent or any Lender receives an amount equal to the sum it would have received had no such deductions been made, and (ii) the applicable Withholding Agent shall make such deductions and pay the full amount deducted to the relevant Governmental Authority in accordance with applicable Law.

(b) Payment of Other Taxes. Without duplication of any Tax paid under Section 2.17(a), each Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Law or, at the option of the Administrative Agent, timely reimburse the Administrative Agent for the payment of Other Taxes.

(c) Tax Indemnification. Each Borrower shall indemnify the Administrative Agent and each Lender, within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes paid by the Administrative Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of any Borrower hereunder or under any other Loan Document or in connection with any registration or presentation of a Loan Document with any authority or court (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.17) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Parent Borrower by a Lender, or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Receipts. As soon as practicable after any payment of Indemnified Taxes by any Borrower to a Governmental Authority, the Loan Party shall deliver to the Administrative Agent for its own account or for the account of the relevant Lender, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Administrative Agent Indemnity. Each Lender shall indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) the full amount of any Taxes imposed by any Governmental Authority that are attributable to such Lender (but only to the extent that a Borrower has not already indemnified the Administrative Agent for such Taxes and without limiting the obligation of the Borrowers to do so) and (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.04(c)(ii) relating to the maintenance of a Participant Register, in either case, that are payable or paid by the Administrative Agent, together with all interest, penalties, reasonable costs and expenses arising therefrom or with respect thereto, as determined by the Administrative Agent in good faith, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. 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 any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this clause (c).

(f) Status of Lenders.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(f)(ii)(A), (ii)(B) and (ii)(C) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. borrower, (A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax; (B) any non-U.S. Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such non-U.S. Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable: (1) in the case of a non-U.S. Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty, (2) executed originals of IRS Form W-8ECI, (3) in the case of a non-U.S. Lender claiming the benefits of the exemption for portfolio

interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit D-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed originals of IRS Form W-8BEN-E or (4) to the extent a non-U.S. Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-3 or Exhibit D-4, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-2 on behalf of each such direct and indirect partner and (C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

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 (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Parent Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Parent Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Parent Borrower or the Administrative Agent as may be necessary for the applicable Borrower(s) or the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this Section 2.17(f) “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Parent Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) Refund. If the Administrative Agent or a Lender receives or benefits from a credit or refund of any Indemnified Taxes as to which it has been indemnified by the Loan

Party or with respect to which the Loan Party has paid additional amounts pursuant to this Section 2.17, it shall pay over such refund or credit amount to such Loan Party (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Party under this Section 2.17 with respect to the Indemnified Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that such Loan Party, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This Section shall not be construed to require the Administrative Agent or any Lender to make available its Tax returns (or any other information relating to its Taxes which it deems confidential) to any Loan Party or any other Person.

(h) [Intentionally Omitted.]

(i) Survival. Each party's obligations under this Section 2.17 shall survive the resignation or replacement of an Agent or any assignment of rights by, or the replacement of, a Lender, the termination of this Agreement and the payment, satisfaction, or discharge of the Loans and all other amounts payable hereunder.

(j) Terms. For purposes of this Section 2.17, the term "Lender" includes any Issuing Bank, any Agent and any Arranger, and the term "applicable law" includes FATCA.

Section 2.18 Payments Generally; Pro Rata Treatment; Sharing of Payments; Proceeds of Collateral.

(a) Payments Generally. Unless otherwise specified herein, each Borrower shall make each payment required to be made by it hereunder or under any other Loan Document (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.15, 2.16 or 2.17, or otherwise) 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 1:00 p.m., Local Time). Each such payment shall be made on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent to the account designated to the applicable Borrower by the Administrative Agent, except payments to be made directly to an Issuing Bank or Swingline Lender as expressly provided herein and except that payments pursuant to Sections 2.15, 2.16, 2.17 and 10.03 shall be made directly to the Persons entitled thereto and payments pursuant to other Loan Documents shall be made to the Persons specified therein. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. All payments under each Loan Document of (i) principal

and interest in respect of any Loan shall be made in the currency in which such Loan is denominated and (ii) any other amount shall be made in Dollars.

(b) Pro Rata Application. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) Sharing of Payments. If any Lender shall obtain payment in respect of any principal of or interest on any of its Revolving Loans, Term Loans or participations in LC Disbursements or Swingline Loans, including by way of exercising any right of set-off or counterclaim or otherwise, resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Revolving Loans, Term Loans and participations in LC Disbursements and Swingline Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Revolving Loans, Term Loans and participations in LC Disbursements and Swingline Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Revolving Loans, Term Loans and participations in LC Disbursements and Swingline Loans; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this clause (c) shall not be construed to apply to any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant. Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law but subject to Section 10.08, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against each Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

(d) Payments from Borrowers Assumed Made. Unless the Administrative Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the applicable Issuing Bank hereunder that the applicable Borrower will not make such payment, the Administrative Agent may assume that the applicable Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable Issuing Bank, as the case may be, the amount due. In such event, if the applicable Borrower has not in fact made such payment, then each of the

Lenders or the applicable Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of (i) the Federal Funds Effective Rate (or in the case of amounts not denominated in Dollars, the Administrative Agent's cost of funds) and (ii) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(e) Set-Off Against Amounts Owed Lenders. If any Lender shall fail to make any payment required to be made by it pursuant to Sections 2.04(c), 2.05(d) or (e), 2.06(b), 2.18(c) or (d) or 10.03(c), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

(f) Application of Proceeds of Collateral and Guaranty. Subject to any intercreditor arrangements entered into by the Agents in accordance with Section 9.09(f), all amounts received under the Guaranty and all proceeds received by the Collateral Agent from the sale or other liquidation of the Collateral when an Event of Default has occurred and is continuing shall first be applied as payment of the accrued and unpaid fees of the Agents hereunder and then to all other unpaid or unreimbursed Obligations (including reasonable attorneys' fees and expenses in accordance with Section 10.03) owing to each Agent in its capacity as an Agent only, and then any remaining amount of such proceeds shall be distributed:

- (i) first, to an account at the Administrative Agent over which the Administrative Agent shall have control in an amount equal to 102% of the LC Exposure then outstanding;
- (ii) second, to the Secured Parties, *pro rata* in accordance with the respective unpaid amounts of Loan Obligations and Swap Obligations, until all the Loan Obligations and Swap Obligations have been paid and satisfied in full or cash collateralized;
- (iii) third, to the Secured Parties, *pro rata* in accordance with the respective unpaid amounts of the Deposit Obligations, until all Deposit Obligations have been paid and satisfied in full or cash collateralized;
- (iv) fourth, to the Secured Parties, *pro rata* in accordance with the respective unpaid amounts of the remaining Obligations; and
- (v) fifth, to the Person entitled thereto as directed by the Parent Borrower or as otherwise determined by applicable Law or applicable court order.

Excluded Swap Obligations with respect to any Loan Party shall not be paid with amounts received from such Loan Party or such Loan Party's assets.

(g) Noncash Proceeds. Notwithstanding anything contained herein to the contrary, if the Collateral Agent shall ever acquire any Collateral through foreclosure or by a conveyance in lieu of foreclosure or by retaining any of the Collateral in satisfaction of all or part of the Obligations or if any proceeds of Collateral received by the Collateral Agent to be distributed and shared pursuant to this Section 2.18 are in a form other than immediately available funds, the Collateral Agent shall not be required to remit any share thereof under the terms hereof and the Secured Parties shall only be entitled to their undivided interests in the Collateral or noncash proceeds as determined by clause (f) of this Section 2.18. The Secured Parties shall receive the applicable portions (in accordance with the foregoing clause (f)) of any immediately available funds consisting of proceeds from such Collateral or proceeds of such noncash proceeds so acquired only if and when received by the Collateral Agent in connection with the subsequent disposition thereof. While any Collateral or other property to be shared pursuant to this Section is held by the Collateral Agent pursuant to this clause (g), the Collateral Agent shall hold such Collateral or other property for the benefit of the Secured Parties and all matters relating to the management, operation, further disposition or any other aspect of such Collateral or other property shall be resolved by the agreement of the Required Lenders.

(h) Return of Proceeds. If at any time payment, in whole or in part, of any amount distributed by the Collateral Agent hereunder is rescinded or must otherwise be restored or returned by the Collateral Agent as a preference, fraudulent conveyance, or otherwise under any bankruptcy, insolvency, or similar law, then each Person receiving any portion of such amount agrees, upon demand, to return the portion of such amount it has received to the Collateral Agent.

Section 2.19 Mitigation Obligations: Replacement of Lenders.

(a) Mitigation. If any Lender requests compensation under Section 2.15, or if a Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder pursuant to and in accordance with Section 2.06(c) or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.15 or 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. Each Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement. If (i) a Lender requests compensation under Section 2.15, (ii) a Borrower is required to pay any additional amount to a Lender or any Governmental Authority for the account of a Lender pursuant to Section 2.17, (iii) a Lender is a Defaulting Lender, or (iv) a Lender shall become a Non-Consenting Lender (as defined below), then the Parent Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 10.04), all its interests,

rights and obligations in one or more Classes (as the Parent Borrower shall elect) under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Parent Borrower shall have received the prior written consent of the Administrative Agent to such assignee Lender to the extent required by Section 10.04, which consent shall not unreasonably be withheld, conditioned or delayed, (ii) such assignor Lender shall have received payment of an amount equal to the outstanding principal of its Loans of the relevant Class or Classes (and participations in LC Disbursements and Swingline Loans, to the extent applicable) accrued interest thereon, accrued fees and all other amounts (including, for the avoidance of doubt, any prepayment premium that would have been payable by the relevant Borrower to such Non-Consenting Lender under Section 2.11(a) if such assigning Lender had consented to any Repricing Transaction, in any case, occurring prior to the six-month anniversary of the Restatement Effective Date and giving rise to its status as a Non-Consenting Lender (assuming that such Repricing Transaction has occurred on the date of the effectiveness of such assignment and assumption) payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrowers to require such assignment and delegation cease to apply. In the event that (i) the Parent Borrower or the Administrative Agent have requested the Lenders to consent to a departure or waiver of any provisions of the Loan Documents or to agree to any other modification thereto, (ii) the consent, waiver or other modification in question requires the agreement of all Lenders (or all directly affected Lenders) in accordance with the terms of Section 10.02 and (iii) the Required Lenders (or, in the case of any Class voting, the holders of a majority of the outstanding Loans and unused Commitments in respect of such Class) have agreed to such consent, waiver or other modification, then any Lender who does not agree to such consent, waiver or other modification shall be deemed a “Non-Consenting Lender.”

(c) If the Parent Borrower is unable to find a replacement for any Non-Consenting Lender, a Purchasing Borrower Party may purchase the outstanding principal of its Loans of the relevant Class or Classes, in each case, subject to the terms and conditions set forth in Section 10.04(c), hereof.

Section 2.20 Incremental Facilities.

(a) The Parent Borrower may, by written notice to the Administrative Agent at any time, on one or more occasions, request to (i) add one or more new Classes of term facilities and/or increase the principal amount of any Class of Term Loans, any Incremental Term Loans or any Specified Refinancing Term Loans by requesting new term loan commitments to be added to such Loans (any such new Class or increase, an “Incremental Term Facility” and any loans made pursuant to an Incremental Term Facility, “Incremental Term Loans”) and/or (ii) increase the principal amount of any Class of Revolving Commitments, any Incremental Revolving Commitments or any Specified Refinancing Revolving Commitments and/or add one or more new Classes of incremental revolving facilities (any such new Class or increase, an “Incremental Revolving Facility” and, together with any Incremental Term Facility, “Incremental Facilities”; and the loans thereunder,

“Incremental Revolving Loans” and, together with any Incremental Term Loans, “Incremental Loans”) in an aggregate amount not to exceed the Incremental Amount. Such notice shall set forth (i) the amount of the Incremental Term Loans and/or Incremental Revolving Commitments being requested (which shall be (x) with respect to Incremental Facilities denominated in Dollars, in an aggregate principal amount of not less than \$10,000,000, and \$5,000,000 increments in excess thereof, (y) with respect to Incremental Facilities denominated in an Alternative Currency, in an aggregate principal amount of not less than an amount in such Alternative Currency equal to the Dollar Equivalent of \$10,000,000, and \$5,000,000 increments in excess thereof or (z) equal to the remaining Incremental Amount) and (ii) the date, which shall be a Business Day, on which such Incremental Term Loans are requested to be made and/or Incremental Revolving Commitments are requested to become effective (the “Increased Amount Date”) pursuant to an Incremental Facility Activation Notice. Any Incremental Revolving Facility may provide for the ability to permanently repay and terminate incremental revolving commitments on a pro rata basis or less than a pro rata basis (but not greater than pro rata basis) with the Revolving Facility.

(b) Incremental Loans may be provided by any existing Lender (it being understood each existing Lender shall have no obligation to participate in any Incremental Facility), or by any other lender (any such other lender being called an “Additional Lender”); provided that the Administrative Agent and each Issuing Bank shall have consented (such consent not to be unreasonably withheld, conditioned or delayed) to such Additional Lender’s providing such Incremental Facilities if such consent would be required under Section 10.04(b) for an assignment of Loans to such Additional Lender.

(c) The creation or provision of any Incremental Facility or Incremental Loan shall not require the approval of any existing Lender other than any existing Lender providing all or part of any Incremental Facility or Incremental Loan.

(d) The applicable Borrower and each Lender or Additional Lender providing a portion of the Incremental Facilities shall execute and deliver to the Administrative Agent an Incremental Assumption Agreement and such other documentation as the Administrative Agent shall reasonably specify to evidence the Incremental Facilities of such Lender or Additional Lender. The applicable Borrower and each Lender or Additional Lender providing a portion of the Incremental Facilities shall determine the terms of the Incremental Term Loans and/or Incremental Revolving Commitments to be set forth in the respective Incremental Assumption Agreement; provided that (i) the final maturity date of any Incremental Term Loan (x) that is a “term loan A” shall be no earlier than the Latest Maturity Date with respect to Term A Loans then outstanding and (y) that is a “term loan B” shall be no earlier than the Latest Maturity Date with respect to Term B Loans then outstanding, (ii) the weighted average life to maturity of any Incremental Term Loan (x) that is a “term loan A” shall be no shorter than the then longest remaining weighted average life to maturity of the then-existing Term A Loans and (y) that is a “term loan B” shall be no shorter than the then longest remaining weighted average life to maturity of the then-existing Term B Loans, in each case calculated as of the date of making such Incremental Term Loan, (iii) such Incremental Facilities shall be secured on a pari passu basis with respect to the Loans outstanding as of (or made on) the Increased Amount Date and/or pari passu or subordinated in right of security with respect to such Loans (and to the extent so subordinated, the holders of such indebtedness or a representative thereof will enter into a Market Intercreditor

Agreement that is reasonably acceptable to the Administrative Agent with the Loan Parties and the Administrative Agent evidencing such subordination) or may be unsecured (it being understood any such Indebtedness incurred in reliance on the Incremental Amount shall be deemed to be "Total Indebtedness secured by a Lien that is not subordinated to the Liens securing the Obligations" for purposes of calculating the First Lien Net Leverage Ratio set forth therein, regardless of whether secured or unsecured), (iv) any mandatory prepayment (other than scheduled amortization payments) of Incremental Term Loans shall be made on a pro rata basis with all then existing Term Loans (and all other then-existing Incremental Term Loans and Specified Refinancing Term Loans requiring ratable prepayment), except that the applicable Borrower and the lenders in respect of such Incremental Term Loans shall be permitted, in their sole discretion, to elect to prepay or receive, as applicable, any prepayments on a less than pro rata basis (but not on a greater than pro rata basis), (v) the maturity date or commitment reduction date of any Incremental Revolving Loan shall be no earlier than the Latest Maturity Date with respect to then existing Revolving Commitments, (vi) with respect to any Incremental Term Loans incurred within 12 months of the Restatement Effective Date under the Ratio Incremental Amount designated as Term B Loans that rank pari passu in right of payment and security with the Obligations, if the All-In-Yield applicable to such Incremental Term Loans exceeds the All-In-Yield for the initial Term B Facility by more than 50 basis points, the Applicable Rate for the initial Term B Facility shall be increased (without any further action by any party or any amendment hereto) so that the initial All-In-Yield in respect of such Incremental Term Loans is no more than 50 basis points higher than the All-In-Yield for the initial Term B Facility, (vii) to the extent an Incremental Revolving Facility is structured as an additional revolving facility under this agreement and not as an increase to the existing Revolving Commitment hereunder, (x) no more than three (3) revolving facilities (including any revolving facility constituting Specified Refinancing Debt) shall be outstanding hereunder at any one time, (y) the Administrative Agent may, in its reasonable discretion, take such actions as it deems advisable to allocate Letters of Credit and any participations therein between any revolving facilities; (viii) no Incremental Term Loan will be guaranteed by any Person that is not a Subsidiary Loan Party and (ix) subject to clauses (i) and (ii) above, the amortization schedule applicable to any Incremental Term Facility shall be determined by the Parent Borrower and lenders thereunder.

All terms and documentation with respect to Incremental Facilities which are not substantially consistent from those with respect to the Loans under the existing applicable Credit Facility shall be reasonably satisfactory to the Administrative Agent (except to the extent (i) permitted by clauses (i) through (vii) above, (ii) applicable only to periods after the Latest Maturity Date applicable to (x) in the case of any Incremental Term Facility, any then-existing Term Facility or (y) in the case of any Incremental Revolving Facility, any then-existing Revolving Facility or (iii) in the case of any financial maintenance covenant added for the benefit of any Incremental Facility, such financial covenant is added also for the benefit of (x) in the case of any Incremental Term Facility, any then-existing Term Facility or (y) in the case of any Incremental Revolving Facility, any then-existing Revolving Facility); it being understood and agreed that any Incremental Revolving Facility structured as an increase shall have the same terms as the existing Revolving Facility. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Incremental Assumption Agreement. Each of the parties hereto hereby agrees that, upon the effectiveness of any Incremental Assumption Agreement, this Agreement shall be amended as necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Parent Borrower

to effect the provisions of or be consistent with this Section 2.20. Any such deemed amendment may be memorialized in writing by the Administrative Agent with the Parent Borrower's consent (not to be unreasonably withheld) but without the consent of any other Lenders, and furnished to the other parties hereto.

(e) Notwithstanding the foregoing, no Incremental Term Loan may be made and no Incremental Revolving Commitment shall become effective under this Section 2.20 unless (i) subject to Section 1.03, on the date on which such Loan is made or of such effectiveness, the conditions set forth in Section 4.02 shall be satisfied (it being understood that all references to "the occasion of any Borrowing" in Section 4.02 shall be deemed to refer to the Increased Amount Date), (ii) the Administrative Agent shall have received legal opinions, board resolutions and other closing certificates and documentation as required by the relevant Incremental Assumption Agreement and generally consistent with those delivered on the Restatement Effective Date under Section 4.01 (other than changes to such legal opinions resulting from a Change in Law, change in fact or change to counsel's form of opinion reasonably satisfactory to the Administrative Agent).

(f) On the date of effectiveness of any Incremental Revolving Facility, the maximum amount of LC Exposure permitted hereunder shall increase by an amount, if any, agreed upon by Administrative Agent, the relevant Issuing Bank and the Parent Borrower.

Section 2.21 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) Suspension of Commitment Fees. Commitment fees shall cease to accrue on the unfunded portion of the Revolving Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(b) Suspension of Voting. The Revolving Commitment, Revolving Exposure of, and the outstanding Term Loans held by, such Defaulting Lender shall not be included in determining whether Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 10.02); provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender which affects such Defaulting Lender differently than other affected Lenders or which would extend the final maturity of amounts owed to such Lender or reduce the amount thereof or would increase the amount or extend the expiration of such Lender's commitments shall require the consent of such Defaulting Lender;

(c) Participation Exposure. If any Swingline Exposure or LC Exposure exists at the time a Lender becomes a Defaulting Lender then:

(i) Reallocation. All or any part of such Swingline Exposure and LC Exposure shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages (or in the case of LC Exposure denominated in an Alternative Currency, its USD/Multicurrency Applicable Percentage) but only to the extent (w) the sum of all non-Defaulting Lenders' Revolving Exposures plus such Defaulting Lender's Swingline Exposure and LC Exposure does not exceed the total of all non-Defaulting Lenders' Revolving

Commitments, the sum of all non-Defaulting Lenders' USD/Multicurrency Revolving Exposures plus the allocable portion of such Defaulting Lender's Swingline Exposure and LC Exposure does not exceed the total of all non-Defaulting Lenders' USD/Multicurrency Revolving Commitments and (z) no Event of Default then exists;

(ii) Payment and Cash Collateralization. If the reallocation described in clause (i) above cannot, or can only partially, be effected, the applicable Borrower shall within two (2) Business Days following notice by the Administrative Agent (x) first, prepay such Swingline Exposure and (y) second, cash collateralize such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.05(j), for so long as such LC Exposure is outstanding or cannot be reallocated pursuant to clause (i), (it being understood that such amount (to the extent not applied as aforesaid) shall be returned in accordance with the procedures set forth in Section 2.05(j));

(iii) Suspension of Letter of Credit Fee. If the applicable Borrower cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to this Section 2.21(c), the Borrowers shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.12(b), with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) Reallocation of Fees. If the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to this Section 2.21(c), then the fees payable to the Lenders pursuant to Section 2.12(a) and Section 2.12(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages (or in the case of fees arising from Revolving Exposure denominated in an Alternative Currency, such Lenders' USD/Multicurrency Applicable Percentages); and

(v) Issuing Bank Entitled to Fees. If any Defaulting Lender's LC Exposure is neither cash collateralized nor reallocated pursuant to this Section 2.21(c), then, without prejudice to any rights or remedies of any Issuing Bank or any Lender hereunder, all letter of credit fees payable under Section 2.12(b) with respect to such Defaulting Lender's LC Exposure shall be payable to such Issuing Bank until such LC Exposure is cash collateralized and/or reallocated;

(d) Suspension of Swingline Loans and Letters of Credit. So long as any Lender is a Defaulting Lender, the Swingline Lender shall not be required to fund any Swingline Loan and no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless (i) it is satisfied that the related exposure will be 100% covered by the Revolving Commitments of the non-Defaulting Lenders, (ii) cash collateral will be provided by the applicable Borrower in accordance with Section 2.21(c), and/or (iii) participating interests in any such newly issued or increased Letter of Credit or newly made Swingline Loan shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.21(c)(i) (and Defaulting Lenders shall not participate therein); and

(e) Setoff Against Defaulting Lender. Any amount payable to such Defaulting Lender hereunder (whether on account of principal, interest, fees or otherwise and including any mandatory or voluntary prepayment and any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 2.18(c) but excluding Section 2.19(b)) shall, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated account and, subject to any applicable requirements 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, *pro rata*, to the payment of any amounts owing by such Defaulting Lender to the applicable Issuing Bank or Swingline Lender hereunder, (iii) third, to the funding of any Loan or the funding or cash collateralization of any participating interest in any Swingline Loan or Letter of Credit 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, (iv) fourth, if so determined by the Parent Borrower, held in such account as cash collateral for future funding obligations of the Defaulting Lender under this Agreement, (v) fifth, *pro rata*, to the payment of any amounts owing to the Borrowers or the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Borrower or any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement and (vi) sixth, after termination of the Commitments to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if such payment is (x) a prepayment of the principal amount of any Loans or reimbursement obligations in respect of LC Disbursements which a Defaulting Lender has funded its participation obligations and (y) made at a time when the conditions set forth in Section 4.02 are satisfied, such payment shall be applied solely to prepay the Loans of, and reimbursement obligations owed to, all non-Defaulting Lenders *pro rata* prior to being applied to the prepayment of any Loans, or reimbursement obligations owed to, any Defaulting Lender.

In the event that the Administrative Agent, the Borrowers, any applicable Issuing Bank and the Swingline Lender each agrees that a Defaulting Lender who is a Revolving Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swingline Exposure and LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Commitment and on such date such Lender shall purchase at par such of the Revolving Loans of the other Lenders (other than Swingline Loans) as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Revolving Loans in accordance with its Applicable Percentage and/or USD/Multicurrency Applicable Percentage, as applicable.

Notwithstanding the above, the Borrowers' right to replace a Defaulting Lender pursuant to this Agreement shall be in addition to, and not in lieu of, all other rights and remedies available to the Borrowers against such Defaulting Lender under this Agreement, at law, in equity or by statute.

Section 2.22 Specified Refinancing Debt.

(a) The Borrowers may from time to time, add one or more new term loan facilities and new revolving credit facilities to the Credit Facilities ("Specified Refinancing Debt") pursuant to procedures reasonably specified by the Administrative Agent and reasonably acceptable to the Borrowers, to refinance (i) all or any portion of any Class of

Term Loans then outstanding under this Agreement and (ii) all or any portion of any Class of Revolving Loans (and the unused Revolving Commitments with respect to such Class of Revolving Loans) then in effect under this Agreement, in each case pursuant to a Refinancing Amendment (it being agreed that in no event shall more than three Classes of revolving commitments be outstanding at any time under this Agreement); provided that such Specified Refinancing Debt: (i) will rank *pari passu* in right of payment as the other Loans and Commitments hereunder; (ii) will not have obligors or contingent obligors that were not obligors or contingent obligors (or that would not have been required to become obligors or contingent obligors) in respect of the Credit Facilities; (iii) will be (x) unsecured or (y) secured by the Collateral on a *pari passu* or junior basis with the Obligations pursuant to a Market Intercreditor Agreement that is reasonably satisfactory to the Administrative Agent; (iv) will have such pricing and optional prepayment terms as may be agreed by the Parent Borrower and the applicable Lenders thereof and for the avoidance of doubt, Section 2.20(d)(vi) shall not apply; (v) (x) to the extent constituting revolving credit facilities, will not have a maturity date (or have mandatory commitment reductions or amortization) that is prior to the Revolving Maturity Date of the Revolving Commitment being refinanced and (y) to the extent constituting term loan facilities, will have a maturity date that is not prior to the date that is the scheduled maturity date of, and will have a weighted average life to maturity that is not shorter than the weighted average life to maturity of, the Loans being refinanced; (vi) any Specified Refinancing Term Loans shall share ratably in any prepayments of Term Loans pursuant to Section 2.11 (or otherwise provide for more favorable prepayment treatment for the then outstanding Classes of Term Loans other than Specified Refinancing Term Loans); (vii) each Revolving Borrowing (including any deemed Revolving Borrowings made pursuant to Section 2.04 or 2.05) shall be allocated *pro rata* among the Classes of Revolving Commitments (it being agreed that notwithstanding the foregoing, the Administrative Agent may, in its reasonable discretion, take such actions as it deems advisable to allocate Letters of Credit and participations therein between any revolving facilities); (viii) subject to clauses (iv) and (v) above, will have terms and conditions (other than pricing and optional prepayment and redemption terms) that are either (x) substantially similar to, or (when taken as a whole) no more favorable to the lenders providing such Specified Refinancing Debt than, those applicable to the Loans or commitments being refinanced (except for covenants or other provisions applicable only to periods after the Latest Maturity Date at the time of such refinancing) or (y) reflective of market terms and conditions at the time of incurrence thereof, in each case, as determined in good faith by the Parent Borrower (except for covenants or other provisions applicable only to periods after the Latest Maturity Date at the time of such refinancing); provided that a certificate of a Responsible Officer of the Parent Borrower delivered to the Administrative Agent at least five (5) Business Days prior to the incurrence of such Specified Refinancing Debt, together with a reasonably detailed description of material terms and conditions of such Specified Refinancing Debt or drafts of the documentation related thereto, stating that the Parent Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirement in this clause (viii) shall be conclusive evidence that such terms and conditions satisfy the foregoing requirements unless the Administrative Agent notifies the Parent Borrower within such five (5) Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees); and (ix) the Net Proceeds of such Specified Refinancing Debt shall be applied, substantially concurrently with the incurrence thereof, to the *pro rata* prepayment of outstanding Loans being so refinanced, in each case pursuant to Section 2.08 and 2.11, as applicable; provided, however, that such Specified Refinancing Debt (x) may provide for any additional or different financial

or other covenants or other provisions that are agreed among the Parent Borrower and the lenders thereof and applicable only during periods after the Latest Maturity Date of any of the Loans (and Commitments) that remain outstanding after giving effect to such Specified Refinancing Debt or the date on which all non-refinanced Obligations are paid in full and (y) shall not have a principal or commitment amount (or accreted value) greater than the Loans and Revolving Commitments being refinanced (excluding accrued interest, fees (including original issue discount and upfront fees), discounts, premiums or expenses).

(b) The Parent Borrower shall make any request for Specified Refinancing Debt pursuant to a written notice to the Administrative Agent specifying in reasonable detail the proposed terms thereof. Any proposed Specified Refinancing Debt may be provided by existing Lenders (it being understood that existing Lenders are not required to provide such proposed Specified Refinancing Debt) or, subject to the approval of the Administrative Agent and, with respect to revolving commitments, the Issuing Banks (in each case, which approval shall not be unreasonably withheld, conditioned or delayed), Eligible Assignees in such respective amounts as the Parent Borrower may elect.

(c) The effectiveness of any Refinancing Amendment shall be subject to the satisfaction on the date thereof of each of the conditions set forth in clause (a) above and Section 4.02, and, to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of legal opinions, board resolutions, officers' certificates and/or reaffirmation agreements, including any supplements or amendments to the Security Documents providing for such Specified Refinancing Debt to be secured thereby, generally consistent, where applicable, with those delivered on the Restatement Effective Date under Section 4.01 (other than changes to such legal opinions resulting from a Change in Law, change in fact or change to counsel's form of opinion reasonably satisfactory to the Administrative Agent). The Lenders hereby authorize the Administrative Agent to enter into amendments to this Agreement and the other Loan Documents with the Borrowers as may be necessary in order to establish any Specified Refinancing Debt and to make such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Parent Borrower in connection with the establishment of such Specified Refinancing Debt, in each case on terms consistent with and/or to effect the provisions of this Section 2.22.

(d) Each Class of Specified Refinancing Debt incurred under this Section 2.22 shall be in an aggregate principal amount that is (i) (x) with respect to Specified Refinancing Debt denominated in Dollars, not less than \$5,000,000, or \$1,000,000 increments in excess thereof or (y) with respect to Specified Refinancing Debt denominated in an Alternative Currency, not less than an amount in such Alternative Currency equal to the Dollar Equivalent of \$5,000,000, and \$1,000,000 increments in excess thereof or (ii) the amount required to refinance all of the applicable Class of Loans and/or Commitments. Any Refinancing Amendment may provide for the making of Specified Refinancing Revolving Loans to, or the issuance of Letters of Credit for the account of, the Borrowers or any Subsidiary, or the provision to the Borrowers of Swingline Loans, pursuant to any revolving credit facility established thereby, in each case on terms substantially equivalent to the terms applicable to Letters of Credit and Swingline Loans under the Revolving Commitments.

(e) The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment. Each of the parties hereto hereby agrees that, upon the effectiveness of any Refinancing Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of

the Specified Refinancing Debt incurred pursuant thereto (including the addition of such Specified Refinancing Debt as separate facilities hereunder and treated in a manner consistent with the Credit Facilities being refinanced, including for purposes of prepayments and voting). Any Refinancing Amendment may, without the consent of any Person other than the Borrowers, the Administrative Agent and the Lenders providing such Specified Refinancing Debt, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Parent Borrower to effect the provisions of or be consistent with this Section 2.22. In addition, if so provided in the relevant Refinancing Amendment and with the consent of each Issuing Bank, participation in Letters of Credit expiring on or after the scheduled maturity date in respect of a Class of revolving commitments shall be reallocated from Lenders holding such revolving commitments to Lenders holding refinancing revolving commitments in accordance with the terms of such Refinancing Amendment; provided, however, that such participation interests shall, upon receipt thereof by the relevant Lenders holding refinancing revolving commitments, be deemed to be participation interests in respect of such extended revolving commitments and the terms of such participation interests (including the commission applicable thereto) shall be adjusted accordingly.

Section 2.23 [Reserved].

Section 2.24 Extension of Term Loans; Extension of Revolving Loans.

(a) Extension of Term Loans. Any Borrower may at any time and from time to time request that all or a portion of the Term Loans of a given Class (each, an "Existing Term Loan Tranche") be amended to extend the scheduled maturity date(s) with respect to all or a portion of any principal amount of such Term Loans (any such Term Loans which have been so amended, "Extended Term Loans") and to provide for other terms consistent with this Section 2.24. In order to establish any Extended Term Loans, the relevant Borrower shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders under the applicable Existing Term Loan Tranche) (each, a "Term Loan Extension Request") setting forth the proposed terms of the Extended Term Loans to be established, which shall (x) be identical as offered to each Lender under such Existing Term Loan Tranche (including as to the proposed interest rates and fees payable) and offered pro rata to each Lender under such Existing Term Loan Tranche and (y) be identical in all material respects to the Term Loans under the Existing Term Loan Tranche from which such Extended Term Loans are to be amended, except that: (i) all or any of the scheduled amortization payments, if any, of all or a portion of any principal amount of the Extended Term Loans may be delayed to later dates than the scheduled amortization payments, if any, of principal of the Term Loans of such Existing Term Loan Tranche, to the extent provided in the applicable Extension Amendment; (ii) (A) the interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, funding discounts, original issue discounts and voluntary prepayment terms and premiums with respect to the Extended Revolving Commitments may be different than those for the Revolving Commitments of such Existing Revolver Tranche and/or (B) additional fees and/or premiums may be payable to the Lenders providing such Extended Revolving Commitments in addition to any of the item contemplated by the preceding clause (A), in each case, to the extent provided in the applicable Extension Amendment; (iii) the Extension Amendment may provide for other covenants and terms that apply solely to any period after the Latest Maturity Date that is in effect on the effective date of the Extension Amendment (immediately prior to the

establishment of such Extended Term Loans); and (iv) Extended Term Loans may have prepayment terms (including call protection and prepayment terms and premiums) as may be agreed by the relevant Borrower and the Lenders thereof; provided, that (A) in no event shall the final maturity date of any Extended Term Loans of a given Term Loan Extension Series at the time of establishment thereof be earlier than the maturity date of the Existing Term Loan Tranche from which such Extended Term Loans are to be amended, (B) the weighted average life to maturity of any Extended Term Loans of a given Term Loan Extension Series at the time of establishment thereof shall be no shorter (other than by virtue of amortization or prepayment of such Indebtedness prior to the time of incurrence of such Extended Term Loans) than the remaining weighted average life to maturity of the Existing Term Loan Tranche from which such Extended Term Loans are to be amended (C) all documentation in respect of such Extension Amendment shall be consistent with the foregoing and (D) any Extended Term Loans may participate on a pro rata basis or less than a *pro rata* basis (but not greater than a pro rata basis) in any voluntary or mandatory repayments or prepayments hereunder, in each case as specified in the respective Term Loan Extension Request. Any Extended Term Loans amended pursuant to any Term Loan Extension Request shall be designated a series (each, a "Term Loan Extension Series") of Extended Term Loans for all purposes of this Agreement; provided that any Extended Term Loans amended from an Existing Term Loan Tranche may, to the extent provided in the applicable Extension Amendment, be designated as an increase in any previously established Term Loan Extension Series with respect to such Existing Term Loan Tranche. Each Term Loan Extension Series of Extended Term Loans incurred under this Section 2.24 shall be in an aggregate principal amount that is not less than (x) \$10,000,000 in the case of Extended Term Loans denominated in Dollars or (y) in the case of Extended Term Loans denominated in Alternative Currencies, an amount in such Alternative Currency equal to the Dollar Equivalent of \$10,000,000.

(b) Extension of Revolving Commitments. Any Borrower may at any time and from time to time request that all or a portion of the Revolving Commitments of a given Class (each, an "Existing Revolver Tranche") be amended to extend the scheduled maturity date(s) of any payment of principal with respect to all or a portion of any principal amount of such Revolving Commitments (any such Revolving Commitments which have been so amended, "Extended Revolving Commitments") and to provide for other terms consistent with this Section 2.24. In order to establish any Extended Revolving Commitments, the relevant Borrower shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders under the applicable Existing Revolver Tranche) (each, a "Revolver Extension Request") setting forth the proposed terms of the Extended Revolving Commitments to be established, which shall (x) be identical as offered to each Lender under such Existing Revolver Tranche (including as to the proposed interest rates and fees payable) and offered *pro rata* to each Lender under such Existing Revolver Tranche and (y) be identical in all material respects to the Revolving Commitments under the Existing Revolver Tranche from which such Extended Revolving Commitments are to be amended, except that: (i) the maturity date of the Extended Revolving Commitments may be delayed to a later date than the maturity date of the Revolving Commitments of such Existing Revolver Tranche, to the extent provided in the applicable Extension Amendment; (ii) (A) the interest rates (including through fixed interest rates), interest margins, rate floors, upfront fees, funding discounts and voluntary prepayment terms and premiums with respect to the Extended Revolving Commitments may be different than those for the Revolving Commitments of such Existing Revolver Tranche and/or (B) additional fees and/or premiums may be payable to the Lenders providing such Extended Revolving Commitments in addition

to any of the item contemplated by the preceding clause (A), in each case, to the extent provided in the applicable Extension Amendment; (iii) the Extension Amendment may provide for other covenants and terms that apply solely to any period after the Latest Maturity Date that is in effect on the effective date of the Extension Amendment (immediately prior to the establishment of such Extended Revolving Commitments); and (iv) all borrowings under the applicable Revolving Commitments (*i.e.*, the Existing Revolver Tranche and the Extended Revolving Commitments of the applicable Revolver Extension Series) and repayments thereunder shall be made on a *pro rata* basis (except for repayments required upon the maturity date of the non-extending Revolving Commitments); provided, that (A) in no event shall the final maturity date of any Extended Revolving Commitments of a given Revolver Extension Series at the time of establishment thereof be earlier than the maturity date of the Existing Revolver Tranche from which such Extended Revolving Commitments are to be amended and (B) that all documentation in respect of such Extension Amendment shall be consistent with the foregoing. Any Extended Revolving Commitments amended pursuant to any Revolver Extension Request shall be designated a series (each, a "Revolver Extension Series") of Extended Revolving Commitments for all purposes of this Agreement; provided that any Extended Revolving Commitments amended from an Existing Revolver Tranche may, to the extent provided in the applicable Extension Amendment, be designated as an increase in any previously established Revolver Extension Series with respect to such Existing Revolver Tranche. Each Revolver Extension Series of Extended Revolving Commitments incurred under this Section 2.24 shall be in an aggregate principal amount that is not less than \$5,000,000 or, in the case of Extended Revolving Commitments denominated in Alternative Currencies, an amount in such Alternative Currency equal to the Dollar Equivalent of \$5,000,000.

(c) Extension Request. The relevant Borrower shall provide the applicable Extension Request at least five (5) Business Days (or such shorter period as the Administrative Agent may determine in its sole discretion) prior to the date on which Lenders under the Existing Term Loan Tranche or Existing Revolver Tranche, as applicable, are requested to respond, and shall agree to such procedures, if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish the purposes of this Section 2.24. No Lender shall have any obligation to agree to have any of its Term Loans of any Existing Term Loan Tranche amended into Extended Term Loans or any of its Revolving Commitments amended into Extended Revolving Commitments, as applicable, pursuant to any Extension Request. Any Lender holding a Loan under an Existing Term Loan Tranche (each, an "Extending Term Lender") wishing to have all or a portion of its Term Loans under the Existing Term Loan Tranche subject to such Extension Request amended into Extended Term Loans and any Revolving Lender (each, an "Extending Revolving Lender") wishing to have all or a portion of its Revolving Commitments under the Existing Revolver Tranche subject to such Extension Request amended into Extended Revolving Commitments, as applicable, 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 Term Loans under the Existing Term Loan Tranche or Revolving Commitments under the Existing Revolver Tranche, as applicable, which it has elected to request be amended into Extended Term Loans or Extended Revolving Commitments, as applicable (subject to any minimum denomination requirements imposed by the Administrative Agent). In the event that the aggregate principal amount of Term Loans under the Existing Term Loan Tranche or Revolving Commitments under the Existing Revolver Tranche, as applicable, in respect of which applicable Term Lenders or Revolving Lenders, as the case may be, shall have accepted the relevant Extension Request exceeds the

amount of Extended Term Loans or Extended Revolving Commitments, as applicable, requested to be extended pursuant to the Extension Request, Term Loans or Revolving Commitments, as applicable, subject to Extension Elections shall be amended to Extended Term Loans or Revolving Commitments, as applicable, on a pro rata basis (subject to rounding by the Administrative Agent, which shall be conclusive) based on the aggregate principal amount of Term Loans or Revolving Commitments, as applicable, included in each such Extension Election.

(d) Extension Amendment. Extended Term Loans and Extended Revolving Commitments shall be established pursuant to an amendment (each, a "Extension Amendment") to this Agreement among the relevant Borrower, the Administrative Agent and each Extending Term Lender or Extending Revolving Lender, as applicable, providing an Extended Term Loan or Extended Revolving Commitment, as applicable, thereunder, which shall be consistent with the provisions set forth in Section 2.24(a) or (b) above, respectively (but which shall not require the consent of any other Lender). The effectiveness of any Extension Amendment shall be subject to the satisfaction on the date thereof of each of the conditions set forth above and Section 4.02, and, to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of legal opinions, board resolutions, officers' certificates and/or reaffirmation agreements, generally consistent, where applicable, with those delivered on the Restatement Effective Date under Section 4.01 (other than changes to such legal opinions resulting from a Change in Law, change in fact or change to counsel's form of opinion reasonably satisfactory to the Administrative Agent). The Lenders hereby authorize the Administrative Agent to enter into amendments to this Agreement and the other Loan Documents with the Borrowers as may be necessary in order to effect any Extension Amendment and to make such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the relevant Borrower in connection with the establishment of such Extension Amendment, in each case on terms consistent with and/or to effect the provisions of this Section 2.24. In addition, if so provided in the relevant Extension Amendment and with the consent of each Issuing Bank, participation in Letters of Credit expiring on or after the scheduled maturity date in respect of a Class of revolving commitments shall be reallocated from Lenders holding such revolving commitments to Lenders holding Extended Revolving Commitments in accordance with the terms of such Extension Amendment; provided, however, that such participation interests shall, upon receipt thereof by the relevant Lenders holding refinancing revolving commitments, be deemed to be participation interests in respect of such extended revolving commitments and the terms of such participation interests (including the commission applicable thereto) shall be adjusted accordingly.

(e) No amendment, conversion or exchange of Loans pursuant to any Extension Amendment in accordance with this Section 2.24 shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Each Borrower party hereto represents and warrants on behalf of itself and its Restricted Subsidiaries to the Lenders on the Restatement Effective Date and each other date required pursuant to Section 4.02(a) that:

Section 3.01 Organization; Powers. Each Borrower and each of its Restricted Subsidiaries (a) is validly existing under the laws of the jurisdiction of its organization or formation, except, in the case of a Restricted Subsidiary, where the failure to be so could not reasonably be expected to result in a Material Adverse Effect, (b) has all requisite power and authority to carry on its business as now conducted, except, in the case of a Restricted Subsidiary, where the failure to have such could not reasonably be expected to result in a Material Adverse Effect and (c) except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing (where relevant) in, its jurisdiction of organization or formation and every other jurisdiction where such qualification is required.

Section 3.02 Authorization; Enforceability. Each Borrower and each Loan Party has the corporate or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Loan Documents to which it is a party and has taken all necessary corporate or other organizational action to authorize the execution, delivery and performance of the Loan Documents to which it is a party and the Dutch Borrower does not have, nor is it required to establish a works council (*ondernemingsraad*) within the meaning of the Dutch Works Councils Act (*Wet op de ondernemingsraden*) nor has it received any request from its employees to install a works council. This Agreement has been duly executed and delivered by the Borrowers party hereto, and constitutes, and each other Loan Document to which any Loan Party is to be a party, when executed and delivered by such Loan Party, will constitute, a legal, valid and binding obligation of such Borrower or such other Loan Party (as the case may be), enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, capital impairment, recognition of judgments, recognition of choice of law, enforcement of judgments or other similar laws or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law and other matters which are set out as qualifications or reservations as to matters of law of general application in any legal opinion delivered to the Administrative Agent in connection with the Loan Documents.

Section 3.03 Governmental Approvals; No Conflicts. The execution and delivery of each Loan Document by each Loan Party party thereto and its performance of the Loan Documents: (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) such as have been obtained or made and are in full force and effect, (ii) filings necessary to perfect Liens created under the Loan Documents and (iii) for consents, approvals, registrations, filing or other actions, the failure of which to obtain or make would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (b) will not violate (i) any applicable Law or regulation or (ii) in any material respect, the charter, by-laws or other organizational documents of such Loan Party or any order of any Governmental Authority binding on such Loan Party, (c) will not violate or result in a default under any material indenture, agreement or other instrument binding upon the Parent Borrower or any of its Restricted Subsidiaries or its assets, or give rise to a right thereunder to require any payment to be made by the Parent Borrower or any of its Restricted Subsidiaries, and (d) will not result in the creation or imposition of any material Lien on any asset of the Parent Borrower or any of its Restricted Subsidiaries, except Liens created under and

Liens permitted by the Loan Documents, and except to the extent such violation or default referred to in clause (b)(i) or (c) above could not reasonably be expected to result in a Material Adverse Effect.

Section 3.04 Financial Condition; Projections; No Material Adverse Effect.

(a) Financial Statements. The Parent Borrower has heretofore furnished to the Lenders the Annual Financial Statements and the Quarterly Financial Statements. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Parent Borrower and its consolidated Subsidiaries as of such dates and for such periods in accordance with GAAP.

(b) Projections. The consolidated forecasted statements of financial position, consolidated income statement, consolidated statements of comprehensive income and cash flows of the Parent Borrower and its Subsidiaries most recently delivered to the Lenders pursuant to Section 5.01(d) were prepared in good faith on the basis of the assumptions stated therein, which assumptions were believed by the management of the Parent Borrower to be reasonable at the time such projections were furnished; it being understood by the Agents and the Lenders that such projections are as to future events and are not to be viewed as facts, the projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Parent Borrower and the Restricted Subsidiaries, that no assurance can be given that any particular projections will be realized and that actual results during the period or periods covered by any such projections may significantly differ from the projected results and such differences may be material.

(c) No Material Adverse Effect. Since December 31, 2017, 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.

Section 3.05 Properties.

(a) Title. Each Borrower and its Restricted Subsidiaries is the legal and beneficial owner of, and has good title to, or valid leasehold interests in, all its real and personal property material to its business, except for defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes or where the failure to have such title or interest could not reasonably be expected to result in a Material Adverse Effect, and none of the assets of such Borrower or any such Restricted Subsidiary is subject to any Lien (or the interest of any other person) except Liens permitted by Section 6.02.

(b) Intellectual Property. Except as could not reasonably be expected to result in a Material Adverse Effect, (i) each Borrower and its Restricted Subsidiaries owns, or is licensed to use, all trademarks, trade names, service names, domain names, copyrights, patents and other intellectual property rights to its knowledge is reasonably necessary for its business as presently conducted and (ii) to the knowledge of any Loan Party, the use of any such intellectual property by such Person does not infringe upon the rights of any other

Person and the intellectual property owned by any Loan Party is not being infringed by any other Person.

Section 3.06 Litigation and Environmental Matters.

(a) Litigation. There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of any Loan Party, threatened in writing against or affecting any Borrower or any of its Restricted Subsidiaries which are reasonably likely to be adversely determined and, if so determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (taking into account reserves made or the benefit of warranties, indemnities or insurance coverage in respect thereof) other than Disclosed Matters.

(b) Environmental Matters. Except as could not reasonably be expected to, either individually or in the aggregate, result in a Material Adverse Effect (taking into account reserves made or the benefit of warranties, indemnities or insurance coverage in respect thereof), no Borrower nor any of its Restricted Subsidiaries (i) has failed to comply with any applicable Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any pending or threatened Environmental Liability, (iii) has received written notice of any pending or threatened claim with respect to any Environmental Liability or has knowledge of any event or circumstance that could reasonably be expected to give rise to such a claim, (iv) knows of any basis that could reasonably be expected to give rise to, any Environmental Liability or (v) has assumed or retained by contract or operation of law any obligations under Environmental Law or relating to Hazardous Materials.

Section 3.07 Compliance with Laws. Each Borrower and each of its Restricted Subsidiaries is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 3.08 Investment Company Act Status. No Borrower nor any of its Restricted Subsidiaries is an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940.

Section 3.09 Taxes. Each Borrower and each of its Restricted Subsidiaries has (i) timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid all Taxes that are required to have been paid by it, except (a) Taxes not overdue by more than thirty (30) days or, if more than thirty (30) days overdue, that are being contested in good faith by appropriate proceedings diligently conducted and for which such Person, as applicable, has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect. To the best of its knowledge, no material proposed Tax deficiency or assessment has been asserted against any Loan Party.

Section 3.10 ERISA. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is

reasonably expected to occur, could reasonably be expected to, individually or in the aggregate, result in a Material Adverse Effect. Except as could not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect, the fair market value of the assets of each Pension Plan was not materially less than the present value of the accumulated benefit obligation under such Pension Plan (based on the assumptions used for purposes of Accounting Standards Codification No. 715: Compensation-Retirement Benefits) as of the close of the most recent plan year, as reported in the most recent financial statements reflecting such amounts. If all of the Pension Plans were terminated on the Restatement Effective Date (disregarding any Pension Plans with surpluses), the unfunded liabilities with respect to the Pension Plans, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 3.11 Disclosure. As of the Restatement Effective Date, neither the Lender Presentation nor any of the other written reports, financial statements, certificates or other written information concerning any Loan Party or any of its Subsidiaries furnished by or on behalf of any Loan Party to the Administrative Agent (other than information of a general economic or industry specific nature, projected financial information or other forward looking information) in connection with the negotiation of this Agreement or any other Loan Document or delivered hereunder or thereunder (as modified or supplemented by other information so furnished prior to the date on which this representation is made or deemed made), when taken as a whole, contains when furnished 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, with respect to projected financial information, the Parent Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time made (it being understood that projections may vary from actual results and that such variances may be material).

Section 3.12 Subsidiaries. As of the Restatement Effective Date, the Parent Borrower has no Subsidiaries other than those listed on Schedule 3.12 hereto. Schedule 3.12 sets forth the jurisdiction of incorporation or organization of each such Subsidiary, the percentage of the Parent Borrower's ownership of the outstanding Equity Interests of each Subsidiary directly owned by the Parent Borrower and the percentage of each Subsidiary's ownership of the outstanding Equity Interests of each other Subsidiary.

Section 3.13 Labor Matters. As of the Restatement Effective Date, except as disclosed on Schedule 3.13, and except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (a) there are no strikes, lockouts or slowdowns against the Parent Borrower or any of its Restricted Subsidiaries pending or, to the knowledge of the Parent Borrower, threatened in writing, that would have a material impact on the operations of the Parent Borrower and its Restricted Subsidiaries and (b) the hours worked by and payments made to employees of the Parent Borrower and its Restricted Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Federal, state, local or other applicable Law dealing with such matters.

Section 3.14 Solvency. As of the Restatement Effective Date immediately after the consummation of the Transactions: (a) the sum of the debt (including contingent liabilities) of the Parent Borrower and its Subsidiaries on a consolidated basis does not exceed the fair value of the assets of the Parent Borrower and its Subsidiaries on a consolidated basis, (b) the capital of the Parent Borrower and its Subsidiaries on a consolidated basis is not unreasonably small in

relation to the business of the Parent Borrower and its Subsidiaries on a consolidated basis, contemplated as of such date and (c) the Parent Borrower and its Subsidiaries, on a consolidated basis do not intend to incur, or believe that they will incur, debts (including current obligations and contingent liabilities) beyond their ability to pay such debts as they mature in the ordinary course of business. For the purposes hereof, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

Section 3.15 Margin Securities. Neither the Parent Borrower nor any of its Restricted Subsidiaries, is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations U or X of the Board of Governors of the Federal Reserve System) and no part of the proceeds of any Loan will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying margin stock in violation of Regulation X or that would entail a violation of Regulation U of the Board of Governors of the Federal Reserve System (and if required by such regulations or requested by a Lender, the Parent Borrower or such Restricted Subsidiary, as applicable, will provide any applicable Lender with a signed Form G-3 or U-1 or any successor form, as applicable, containing the information required to be provided on such form by such entity).

Section 3.16 Security Interest in Collateral. Subject to (i) the terms of the last paragraph of Section 4.01, (ii) applicable bankruptcy, insolvency, reorganization, moratorium, capital impairment, recognition of judgments, recognition of choice of law, enforcement of judgments or other similar laws or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law, (iii) the Perfection Requirements and (iv) the provisions of this Agreement and the other relevant Loan Documents, the Security Documents create legal, valid and enforceable Liens on all of the Collateral in favor of the Collateral Agent, for the benefit of itself and the other Secured Parties, and upon the satisfaction of the Perfection Requirements, such Liens constitute perfected Liens (with the priority that such Liens are expressed to have under the relevant Security Documents) on the Collateral (to the extent such Liens are required to be perfected under the terms of the Loan Documents) securing the Secured Obligations, in each case as and to the extent set forth therein.

Section 3.17 Anti-Corruption Laws and Sanctions.

(a) Each of the Borrowers and their respective Subsidiaries is in compliance in all material respects with applicable anti-money laundering and counter-terrorist financing laws and regulations, including applicable provisions of the Bank Secrecy Act, as amended by the Patriot Act. Each Borrower confirms that it is acting for its own account and not on behalf of a third party.

(b) Each of the Borrowers and their respective Subsidiaries has implemented and maintains in effect policies and procedures reasonably designed to ensure compliance in

all material respects by the Borrowers and their respective Subsidiaries and their respective directors, officers and employees with the Anti-Corruption Laws and applicable Sanctions, and each of the Borrowers and their respective Subsidiaries, and their respective directors and officers and, to the knowledge of the Parent Borrower, their respective employees and agents are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in Borrower being designated as a Sanctioned Person.

(c) None of (i) the Borrowers nor any of their Subsidiaries or any of their respective directors or officers, or (ii) to the knowledge of the Parent Borrower, any employee of any Borrower or any Subsidiary, or (iii) to the knowledge of the Parent Borrower, any agent of any Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person.

(d) No use of proceeds or other transaction contemplated by this Agreement will violate Anti-Corruption Laws or applicable Sanctions.

Section 3.18 Junior Indebtedness. The Obligations are “Senior Debt”, “Senior Indebtedness”, “Guarantor Senior Debt”, “Senior Secured Financing” or “Designated Senior Debt” (or any comparable term) under, and as defined in, any Junior Indebtedness Document.

Section 3.19 EEA Financial Institutions. No Loan Party is an EEA Financial Institution.

ARTICLE IV

CONDITIONS

Section 4.01 Restatement Effective Date. The amendment and restatement of the Existing Credit Agreements in the form of this Agreement and the obligations of the applicable Lenders to make Term Loans hereunder, the obligations of the applicable Lenders to make Revolving Loans hereunder and any agreement of the Issuing Banks to issue any Letters of Credit hereunder shall become effective on the date on which each of the following conditions is satisfied (or waived in accordance with Section 10.02):

(a) Execution and Delivery of Loan Documents. The Administrative Agent shall have received each of the following, each of which shall be originals or facsimiles (or delivered by other electronic transmission, including as “.pdf” files transmitted by electronic mail) unless otherwise specified:

- (i) a counterpart of this Agreement signed on behalf of the Parent Borrower and each Loan Party;
- (ii) a counterpart of this Agreement signed by each Lender;

(iii) the results of recent customary UCC lien searches with respect to the Parent Borrower and the Subsidiary Loan Parties in their applicable jurisdictions of organization, and such search shall reveal no Liens on any of the assets of the Loan Parties except for Liens permitted by Section 6.02 or discharged on or prior to the Restatement Effective Date pursuant to documentation satisfactory to the Administrative Agent.

(b) Legal Opinions. The Administrative Agent shall have received a written opinion (addressed to the Agents, the Lenders and the Issuing Banks and dated the Restatement Effective Date) of counsel (including, without limitation, local counsel) for the Loan Parties covering such matters relating to the Loan Parties and the Loan Documents as of the Restatement Effective Date as are customary for financings of this type.

(c) Corporate Authorization Documents. The Administrative Agent shall have received (i) a certificate of each Loan Party, dated the Restatement Effective Date and executed by a secretary, assistant secretary or other Responsible Officer thereof, which shall (A) certify that (v) attached thereto is a true and complete copy of the certificate or articles of incorporation, formation or organization of such Loan Party certified by the relevant authority of its jurisdiction of organization or incorporation, (w) such certificate or articles of incorporation, formation or organization (including, if applicable, any certificates of incorporation on a change of name) of such Loan Party attached thereto have not been amended (except as attached thereto) since the date reflected thereon, (x) attached thereto is a true and correct copy of the by-laws or operating, partnership or similar agreement of such Loan Party, together with all amendments thereto as of the Restatement Effective Date and such by-laws or operating, management, partnership or similar agreement are in full force and effect, (y) attached thereto is a true and complete copy of the resolutions or written consent, as applicable, of its board of directors, board of managers, sole member, shareholders or other applicable governing body authorizing the execution and delivery of the Loan Documents, which resolutions or consent have not been modified, rescinded or amended (other than as attached thereto) and are in full force and effect and (z) in case of the Dutch Borrower, attached thereto is either (i) an unconditional positive works council advice (*advies*) and the related request for advice in respect of the transactions contemplated by the Loan Documents or (ii) a confirmation by the Dutch Borrower that no works council (*ondernemingsraad*) having jurisdiction over the Dutch Borrower has been installed and no works council will be installed in the foreseeable future, and (B) identify by name and title and bear the signatures of the officers, managers, directors or authorized signatories (including, if applicable, any attorneys) of such Loan Party authorized to sign the Loan Documents to which such Loan Party is a party on the Restatement Effective Date and (ii) a good standing (or equivalent) certificate as of a recent date for such Loan Party from the relevant authority of its jurisdiction of organization (to the extent applicable).

(d) Patriot Act. The Administrative Agent and the Collateral Agent shall have received, at least three (3) days prior to the Restatement Effective Date, all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act,

with respect to the Loan Parties as of the Restatement Effective Date that has been reasonably requested by the Administrative Agent or the Collateral Agent, as applicable, at least ten (10) days prior to the Restatement Effective Date.

(e) Existing Indebtedness Refinancing. (x) The Existing Indebtedness Refinancing shall have been consummated prior to, or shall be consummated substantially concurrently with, the initial Borrowing under the Credit Facilities and, to the extent applicable, all security interests, commitments and guarantees relating thereto shall have been or shall be substantially concurrently terminated and released and (y) the Senior Notes shall have been issued, in each case, pursuant to documentation reasonably satisfactory to the Administrative Agent.

(f) Fees and Expenses. The Arrangers, Administrative Agent and Collateral Agent shall have or at the same time as drawing received all fees and expenses due and payable on or prior to the Restatement Effective Date, to the extent, in the case of expenses, invoiced at least three (3) Business Days prior to the Restatement Effective Date (or such shorter period reasonably agreed by the Parent Borrower), required to be paid on the Restatement Effective Date.

(g) Officer's Certificate. The Administrative Agent shall have received a certificate from a Responsible Officer of the Parent Borrower, certifying as to the matters set forth in Section 4.02(a) and (b).

(h) Solvency Certificate. The Administrative Agent shall have received a certificate in substantially the form of Exhibit E from a Financial Officer (or other officer with reasonably equivalent responsibilities) of the Parent Borrower dated as of the Restatement Effective Date and certifying as to the matters set forth therein.

Section 4.02 Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing (other than a conversion or continuation), and any agreement of the Issuing Banks to issue, amend, renew or extend any Letter of Credit (other than any Loan, Borrowing or issuance, amendment, renewal or extension of such Letter of Credit on the Restatement Effective Date), is subject to receipt of the request therefor in accordance herewith and to the satisfaction of the following conditions:

(a) Representations and Warranties. At the time of and immediately after giving effect to such Borrowing or issuance, amendment, renewal or extension of such Letter of Credit, in each case, the representations and warranties of each Loan Party set forth in the Loan Documents shall be true and correct in all material respects with the same force and effect as if such representations and warranties had been made on and as of such date except to the extent that such representations and warranties relate specifically to another date; provided that any representation and warranty that is qualified as to materiality shall be true and correct in all respects (after giving effect to such qualification therein).

(b) No Default. At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, no Default shall exist or result therefrom.

(c) Borrowing Request. The Administrative Agent shall have received a Borrowing Request in accordance with Section 2.03.

Each Borrowing and each issuance, amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by each Borrower on the date thereof as to the matters specified in clauses (a) and (b) of this Section 4.02; provided, however, (A) the application of clauses (a) and (b) hereto to any Incremental Loan made in connection with any Limited Condition Transaction shall, at the Borrower's option, be subject to Section 1.03 and (B) clauses (a) and (b) hereto shall not apply to any Loans made under any Refinancing Amendment or Extension Amendment unless the lenders in respect thereof have required satisfaction of the same in the applicable Refinancing Amendment or Extension Amendment, as applicable.

ARTICLE V

AFFIRMATIVE COVENANTS

Until the Date of Full Satisfaction, the Parent Borrower (and each other Borrower to the extent applicable) covenants and agrees with the Lenders that:

Section 5.01 Financial Statements and Other Information. The Parent Borrower will furnish to the Administrative Agent:

(a) Annual Audit. Within ninety (90) days after the end of each fiscal year of the Parent Borrower, its audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit (except for any such qualification pertaining to the maturity of any Credit Facility, any Incremental Facility, any Refinancing Loans, any Refinancing Notes, any Extension Series, any Permitted Acquisition Debt, any Permitted Ratio Debt or any Incremental Equivalent Debt occurring within twelve (12) months of the relevant audit or any breach or anticipated breach of the Financial Covenant or any financial covenant in any such other Indebtedness) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Parent Borrower and its Subsidiaries on a consolidated basis in accordance with GAAP;

(b) Quarterly Unaudited Financial Statements. Within forty-five (45) days after the end of each fiscal quarter of the Parent Borrower not corresponding with the fiscal year end, its unaudited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by one of its Financial Officers as presenting fairly in

all material respects the financial condition and results of operations of the Parent Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP, subject to normal year end audit adjustments and the absence of footnotes, and accompanied by a statement by the directors by the Parent Borrower commenting on the performance of the Group for the quarter to which the financial statements relate and any material developments or proposals affecting the Group or business;

(c) Compliance Certificate. Concurrently with any delivery of financial statements under clause (a) or (b) above, a certificate in substantially the form of Exhibit B hereto of a Financial Officer of the Parent Borrower (i) certifying as to whether a Default, which has not previously been disclosed or which has not been cured, has occurred and, if such a Default is continuing, specifying the details thereof and any action taken or proposed to be taken with respect thereto and (ii) setting forth reasonably detailed calculations demonstrating compliance with the Financial Covenant;

(d) [Intentionally Omitted.]

(e) [Intentionally Omitted.]

(f) Additional Information. Promptly following any request therefor (i) material non-privileged information regarding the operations, business affairs and financial condition of the Parent Borrower or any Restricted Subsidiary, or compliance with the terms of any Loan Document, as the Administrative Agent or any Lender may reasonably request; provided, that such financial information is otherwise prepared by the Parent Borrower or such Restricted Subsidiary in the ordinary course of business and is of a type customarily provided to lenders in similar syndicated credit facilities and (ii) all information related to the Parent Borrower and the other Loan Parties (including but not limited to names, addresses and tax identification numbers) reasonably requested by the Administrative Agent and required by the Patriot Act to be obtained by the Administrative Agent or any Lender; and

(g) ERISA Notices. As promptly as practicable following reasonable request of the Administrative Agent, the Loan Parties and/or their ERISA Affiliates shall make a request for any documents described in Section 101(k) and 101(l) of ERISA that any Loan Party or any ERISA Affiliate may request of any Multiemployer Plans or notices from such administrator or sponsor and the Parent Borrower shall provide copies of such documents and notices to the Administrative Agent as promptly as practicable following after receipt thereof.

The information required to be delivered by clauses (a) and (b) of this Section 5.01 shall be deemed to have been delivered if such information, or one or more annual or quarterly reports or other reports containing such information, shall have been posted by the Administrative Agent on a Platform to which the Lenders have been granted access or shall be available on the website of the SEC at <http://www.sec.gov>. Information required to be delivered pursuant to this Section 5.01 may also be delivered by electronic communications pursuant to procedures approved by the Administrative Agent; provided, further, that the Parent Borrower shall deliver paper copies of any such information to the Administrative Agent if the Administrative Agent or any Lender reasonably requests the Parent Borrower to deliver such paper copies.

Section 5.02 Notices of Material Events. The Parent Borrower will, after a Responsible Officer of the Parent Borrower has obtained knowledge thereof, furnish to the

Administrative Agent prompt written notice of (and if applicable, in the case of clause (d) below, the items set forth in) the following (for prompt further distribution to each Lender):

(a) Default. The occurrence of any Default;

(b) Notice of Proceedings. The filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Parent Borrower or any Restricted Subsidiary that could reasonably be expected to result in a Material Adverse Effect;

(c) ERISA Event. The occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect; and

(d) Material Adverse Effect. Any other development by or relating to Parent Borrower or any Restricted Subsidiary that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of a Responsible Officer setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 5.03 Existence; Conduct of Business.

(a) The Parent Borrower will, and will cause each of its respective Restricted Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence except, solely in the case of a Restricted Subsidiary, where the failure to do so could not reasonably be expected to result in a Material Adverse Effect; provided that the foregoing shall not prohibit any transactions or other actions permitted under Section 6.03 or Section 6.05.

(b) The Parent Borrower will, and will cause each of its respective Restricted Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect all of its rights, licenses, permits, privileges, franchises, patents, copyrights, trademarks and trade names unless the failure to preserve, renew and keep in full force and effect such rights, licenses, permits, privileges, franchises, patents, copyrights, trademarks or trade names could not reasonably be expected to result in a Material Adverse Effect; provided that the foregoing shall not prohibit any transactions permitted under Section 6.03 or Section 6.05.

Section 5.04 Payment of Taxes. The Parent Borrower will, and will cause each of its Restricted Subsidiaries to, pay its Tax liabilities, before the same shall become more than thirty (30) days overdue, except where (a) (i) the validity or amount thereof is being contested in good faith by appropriate proceedings diligently conducted, (ii) the Parent Borrower or such Restricted Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP, and (iii) such contest effectively suspends collection of the contested obligation and the foreclosure of any Lien securing such obligation or (b) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

Section 5.05 Maintenance of Properties. The Parent Borrower will, and will cause each of its respective Restricted Subsidiaries to, keep and maintain all property in good working

order and condition, ordinary wear and tear and casualty and condemnation excepted and except to the extent the failure to do so could not reasonably be expected to result in a Material Adverse Effect or as otherwise expressly permitted by this Agreement.

Section 5.06 Insurance.

(a) The Parent Borrower will, and will cause each of its respective Restricted Subsidiaries to, maintain, with financially sound and reputable (in the good faith judgment of its management) insurance companies insurance in such amounts (with no greater risk retention and after giving effect to any self-insurance reasonable and customary for similarly situated Persons in the same or similar businesses as the Parent Borrower and its Restricted Subsidiaries) and against such risks as are customarily maintained by companies of established repute engaged in the same or similar businesses operating in the same or similar locations; provided that notwithstanding the foregoing, none of the Parent Borrower or its Restricted Subsidiaries shall be required to obtain or maintain insurance that is more restrictive than their normal course of practice. The Parent Borrower will furnish to the Lenders, upon reasonable request of the Administrative Agent (but not more frequently than once per fiscal year), information in reasonable detail as to the insurance so maintained.

(b) The Parent Borrower will use commercially reasonable efforts to ensure that, in the case of insurance policies maintained by any Loan Party (other than business interruption insurance (if any), director and officer insurance and worker's compensation insurance), unless otherwise agreed by the Administrative Agent, (a) each general liability insurance policy shall name the Collateral Agent (or its agent or designee) as additional insured and (b) each insurance policy covering Collateral shall name the Collateral Agent (or its agent or designee) as loss payee.

Section 5.07 Books and Records; Inspection and Audit Rights. The Parent Borrower will, and will cause each of its respective Restricted Subsidiaries to, keep proper books of record and account in which entries that are full, true and correct in all material respects are made of all material dealings and transactions in relation to its business and activities in order to permit the preparation of its financial statements in accordance with GAAP. The Parent Borrower will, and will cause each of its Restricted Subsidiaries to, permit any representatives designated by the Administrative Agent, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during normal business hours and as often as reasonably requested; provided that (a) the Parent Borrower shall reimburse the Administrative Agent not more than once each fiscal year for visits, inspections, examinations and discussions conducted under this Section 5.07 if no Event of Default exists at the time thereof (and the Parent Borrower shall reimburse the Administrative Agent for all such visits, inspections, examinations and discussions conducted when an Event of Default exists), (b) the Parent Borrower shall have the opportunity to be present at any meeting with its independent accountants and (c) only the Administrative Agent on behalf of the Lenders may exercise rights of the Administrative Agent and the Lenders under this Section 5.07. Notwithstanding anything to the contrary in this Section 5.07, none of the Parent Borrower or any of its Restricted

Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (a) constitutes non-financial trade secrets or non-financial proprietary information, (b) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by law or any binding agreement or (c) is subject to attorney-client or similar privilege or constitutes attorney work product.

Section 5.08 Compliance with Laws. The Parent Borrower will, and will cause each of its respective Restricted Subsidiaries to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 5.09 Environmental Laws. Each Borrower will, and will cause each of its respective Restricted Subsidiaries to:

(a) Comply with, and use commercially reasonable efforts to ensure compliance by all tenants and subtenants, if any, with, all applicable Environmental Laws, and obtain and comply with and maintain, and use commercially reasonable efforts to ensure that all tenants and subtenants obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws, except in each case, where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(b) Conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws and promptly comply with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws, except in each case, where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 5.10 Collateral Matters; Guaranty. Subject to the terms of the Collateral and Guarantee Requirement and any applicable limitation in any Security Document, the Parent Borrower will, and will cause each Subsidiary Loan Party to, take all action necessary or reasonably requested by the Administrative Agent or the Collateral Agent to ensure that the Collateral and Guarantee Requirement continues to be satisfied, including:

(a) Upon (i) the formation or acquisition after the Restatement Effective Date of any Restricted Subsidiary that is a Domestic Subsidiary, (ii) the designation of any Unrestricted Subsidiary that is a Domestic Subsidiary as a Restricted Subsidiary, (iii) any Restricted Subsidiary that is a Domestic Subsidiary ceasing to be an Immaterial Subsidiary or (iv) any Restricted Subsidiary that is a Domestic Subsidiary ceasing to be an Excluded Subsidiary, on or before the date that is sixty (60) days after the relevant formation, acquisition, designation or cessation occurred (or such longer period as the Administrative Agent may reasonably agree), the Parent Borrower shall (A) cause such Restricted Subsidiary (other than any Excluded Subsidiary) to comply with the requirements set forth in clause (a) of the definition of "Collateral and Guarantee Requirement" and (B) upon the reasonable request of the Administrative Agent, cause the relevant Restricted Subsidiary to deliver to the Administrative Agent a customary opinion of counsel for such Restricted Subsidiary, addressed to the Administrative Agent and the Lenders.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document, it is understood and agreed that:

(i) no Loan Party shall be required to seek any landlord waiver, bailee letter, estoppel, warehouseman waiver or other collateral access, lien waiver or similar letter or agreement;

(ii) no action shall be required to perfect any Lien with respect to (A) any vehicle or other asset subject to a certificate of title, and any retention of title, extended retention of title rights, or similar rights, (B) letter of credit rights, (C) the capital stock of any Immaterial Subsidiary or (D) the capital stock of any Person that is not a Subsidiary which, if a Subsidiary, would constitute an Immaterial Subsidiary, in each case except to the extent that a security interest therein is perfected by filing a UCC-1 financing statement (which, for the avoidance of doubt shall be the only required perfection action);

(iii) no Loan Party shall be required to perfect a security interest in any asset to the extent perfection of a security interest in such asset would be prohibited under any applicable Law;

(iv) any joinder or supplement to any Guaranty, any Security Document or any other Loan Document executed by any Restricted Subsidiary that is required to become a Loan Party pursuant to Section 5.10(a) above may, with the consent of the Administrative Agent (not to be unreasonably withheld, conditioned or delayed), include such schedules (or updates to schedules) as may be necessary to qualify any representation or warranty with respect to such Restricted Subsidiary set forth in any Loan Document to the extent necessary to ensure that such representation or warranty is true and correct in all material respects to the extent required thereby or by the terms of any other Loan Document; and

(v) the Administrative Agent shall not require the taking of a Lien on, or require the perfection of any Lien granted in, those assets as to which the cost of obtaining or perfecting such Lien (including any mortgage, stamp, intangibles or other Tax or expenses relating to such Lien) is excessive in relation to the benefit to the Lenders of the security afforded thereby as reasonably determined by the Borrower and the Administrative Agent.

(vi) Notwithstanding anything herein or in any other Loan Document to the contrary, the Dutch Borrower will not, and will not have any obligation to, (x) guarantee any Obligations hereunder or (y) pledge or otherwise grant a Lien on any of its assets with respect to any of the Obligations (including with respect to any loans made to the Dutch Borrower).

Section 5.11 Maintenance of Ratings. The Parent Borrower will use commercially reasonable efforts to cause to be maintained at all times (a)(i) a corporate family rating (but not any specific rating), in the case of Moody's or (ii) an issuer credit rating (but not any specific rating), in the case of S&P, for the Parent Borrower and (b) credit ratings (but not any specific rating) for the Credit Facilities from Moody's and S&P.

Section 5.12 Use of Proceeds.

(a) The proceeds of the Term Loans made on the Restatement Effective Date will be used to refinance all term loans outstanding under the Existing Credit Agreements prior to effectiveness of this Agreement, and to pay related fees, costs and expenses (including accrued and unpaid interest) and any excess proceeds will be used for general corporate purposes of the Parent Borrower and its Subsidiaries.

(b) The proceeds of the Revolving Facility will be used (i) on the Restatement Effective Date to refinance all revolving loans outstanding under the Existing Credit Agreements prior to effectiveness of this Agreement, to pay related fees, costs and expenses and to maintain or replace any Existing Letters of Credit and (ii) thereafter for general corporate purposes of the Parent Borrower and its Subsidiaries (including the working capital needs, capital expenditures, acquisitions, other investments and Restricted Payments) and any other purpose not prohibited under the Loan Documents.

(c) Letters of Credit will be issued to support transactions entered into by the Parent Borrower or a Restricted Subsidiary in the ordinary course of business.

Section 5.13 Designation of Subsidiaries. The Parent Borrower may at any time designate any Restricted Subsidiary of the Parent Borrower (other than a Borrower) as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary; provided that (i) immediately before and after such designation, no Event of Default shall have occurred and be continuing, (ii) immediately after giving effect to such designation, the Parent Borrower shall be in compliance, on a Pro Forma Basis, with the Financial Covenant, and, as a condition precedent to the effectiveness of any such designation, the Parent Borrower shall deliver to the Administrative Agent in the case of a designation of a Restricted Subsidiary as an Unrestricted Subsidiary, a certificate setting forth in reasonable detail the calculations demonstrating such compliance and (iii) such Subsidiary also shall have been or will promptly be designated an "unrestricted subsidiary" (or otherwise not be subject to the covenants) under any Permitted Acquisition Debt, any Permitted Ratio Debt, Incremental Equivalent Debt, Refinancing Notes or any Refinancing Loans, and any Permitted Refinancing Indebtedness of any of the foregoing (and successive Permitted Refinancing Indebtedness thereof), in each case, to the extent such concept exists therein. The designation of any Subsidiary as an Unrestricted Subsidiary after the Restatement Effective Date shall constitute an Investment by the Parent Borrower therein at the date of designation in an amount equal to the fair market value of the Parent Borrower's or its Subsidiary's (as applicable) Investment therein (including the aggregate (undiscounted) principal amount of any Indebtedness owed by such Subsidiary to any Loan Party or Restricted Subsidiary at the time of such designation). The Investment resulting from such designation must otherwise be in compliance with Section 6.04. The Parent Borrower may designate any Unrestricted Subsidiary as a Restricted Subsidiary at any time by written notice to the Administrative Agent if after giving effect to such designation, the Parent Borrower is in compliance with the Financial Covenant on a Pro Forma Basis, no Event of Default shall exist or would otherwise result therefrom and the Parent Borrower complies with the obligations under clause (a) of Section 5.10. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute

(i) the incurrence by the Parent Borrower at the time of designation of any Investment, Indebtedness or Liens of such Subsidiary existing at such time and (ii) a return on any Investment by the Parent Borrower in Unrestricted Subsidiaries pursuant to the above in an amount equal to the fair market value at the date of such designation of the Parent Borrower's or its Subsidiary's (as applicable) Investment in such Subsidiary (without giving effect to any write downs or write offs thereof).

Section 5.14 Anti-Corruption Laws; Sanctions. The Borrowers will maintain in effect and enforce policies and procedures reasonably designed to ensure compliance in all material respects by the Borrowers, their respective Subsidiaries and their respective directors, officers and employees with Anti-Corruption Laws and applicable Sanctions.

Section 5.15 Further Assurances and Post-Closing Covenant. Subject to the provisions of the Collateral and Guarantee Requirement and any applicable limitations in any Security Document, the Parent Borrower will, and will cause each Subsidiary Loan Party to:

(a) execute any and all further documents, financing statements, agreements, instruments, certificates, notices and acknowledgments and take all such further actions (including the filing and recordation of financing statements or amendments thereto and other documents, subject to the terms of the Collateral and Guarantee Requirement and the limitations set forth in Section 5.10 above and in any Security Document), that may be required under any applicable Law and which the Administrative Agent may reasonably request to ensure the perfection and priority of the Liens created or intended to be created under the Security Documents, all at the reasonable expense of the relevant Loan Parties; and

(b) (i) correct any material defect or error that may be discovered in the execution, acknowledgment, filing or recordation of any Security Document or other document or instrument relating to any Collateral and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts (including notices to third parties), deeds, certificates, assurances and other instruments as the Administrative Agent may reasonably request from time to time in order to carry out more effectively the purposes of the Security Documents.

ARTICLE VI

NEGATIVE COVENANTS

Until the Date of Full Satisfaction, each Borrower covenants and agrees with the Lenders that:

Section 6.01 Indebtedness. Each Borrower will not, and will not permit any Restricted Subsidiary to, create, incur, assume or permit to exist any Indebtedness, except:

(a) (i) Indebtedness created under the Loan Documents (including with respect to Specified Refinancing Debt), (ii) Indebtedness of the Loan Parties evidenced by Refinancing Notes and any Permitted Refinancing Indebtedness in respect thereof and (iii)

Indebtedness of the Loan Parties evidenced by Refinancing Loans and any Permitted Refinancing Indebtedness in respect thereof;

(b) Indebtedness existing on the date hereof and set forth in Section 6.01 and any Permitted Refinancing Indebtedness in respect thereof;

(c) Indebtedness among the Parent Borrower and its Subsidiaries (including between or among Subsidiaries); provided that any such Indebtedness, individually, of any Loan Party owing to a non-Loan Party Subsidiary in excess of \$15,000,000 must be expressly subordinated to the Obligations in accordance with the terms of the Global Intercompany Note (or such other subordination arrangement reasonably acceptable to the Administrative Agent), within 30 days of the incurrence of such Indebtedness or such later date as the Administrative Agent may agree in its sole discretion;

(d) Guarantees by the Parent Borrower of Indebtedness of any Subsidiary and by any Restricted Subsidiary of Indebtedness of the Parent Borrower or any other Subsidiary; provided that (i) Guarantees by the Parent Borrower or any Restricted Subsidiary of Indebtedness of any Unrestricted Subsidiary shall be subject to compliance with Section 6.04 (other than clause (e) thereof), (ii) Guarantees permitted under this clause (d) shall be subordinated to the Obligations of the applicable Restricted Subsidiary to the same extent and on terms not materially less favorable to the Lenders as the Indebtedness so Guaranteed is subordinated to the Obligations and (iii) no Permitted Ratio Debt, Permitted Acquisition Debt, Incremental Equivalent Debt, Refinancing Notes or any Refinancing Loans or any Permitted Refinancing Indebtedness in respect thereof shall be Guaranteed by any Restricted Subsidiary unless such Restricted Subsidiary is a Loan Party that has Guaranteed the Obligations pursuant to a Guaranty;

(e) (i) Indebtedness of the Parent Borrower or any Restricted Subsidiary incurred to finance the acquisition, lease, construction, replacement, repair or improvement of any assets or other Investments permitted hereunder (including rolling stock), including Capital Lease Obligations, mortgage financings, purchase money indebtedness (including any industrial revenue bonds, industrial development bonds and similar financings); provided that, such Indebtedness is incurred prior to or within two hundred seventy (270) days after such acquisition or lease or the completion of such construction, replacement, repair or improvement and (B) the aggregate amount of Indebtedness permitted pursuant to this clause (e)(i) of this Section 6.01 shall not exceed the greater of \$100,000,000 and 13.0% of Adjusted EBITDA (determined at the time of incurrence of such Indebtedness (calculated on a Pro Forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination) at any time outstanding, and (ii) any Permitted Refinancing Indebtedness in respect thereof;

(f) Indebtedness arising in connection with Swap Agreements permitted by Section 6.06; provided that Guarantees by any Loan Party of such Indebtedness of any Unrestricted Subsidiary shall be subject to compliance with Section 6.04;

(g) (i) Indebtedness of any Person that becomes a Restricted Subsidiary after the date hereof (including any Indebtedness assumed in connection with the acquisition of a Restricted Subsidiary); provided that (A) such Indebtedness exists at the time such Person becomes a Restricted Subsidiary and is not created in contemplation of or in connection with such Person becoming a Restricted Subsidiary and (B) the Parent Borrower is in compliance, on a Pro Forma Basis, with the applicable Total Net Leverage Ratio set forth in Section 7.01 for the Test Period most recently ended and (ii) any Permitted Refinancing Indebtedness in respect thereof;

(h) obligations in respect of workers compensation claims, health, disability or other employee benefits, unemployment insurance and other social security laws or regulations or property, casualty or liability insurance and premiums related thereto, self-insurance obligations, obligations in respect of bids, tenders, trade contracts, governmental contracts and leases, statutory obligations, customs, surety, stay, appeal and performance bonds, and performance and completion guarantees and similar obligations incurred by the Parent Borrower or any Restricted Subsidiary, in each case in the ordinary course of business;

(i) to the extent constituting Indebtedness, contingent obligations arising under indemnity agreements to title insurance companies to cause such title insurers to issue title insurance policies in the ordinary course of business with respect to the real property of the Parent Borrower or any Restricted Subsidiary;

(j) to the extent constituting Indebtedness, customary indemnification and purchase price adjustments or similar obligations (including earn-outs) incurred or assumed in connection with Investments and Dispositions otherwise permitted hereunder;

(k) to the extent constituting Indebtedness, unfunded pension fund and other employee benefit plan obligations and liabilities to the extent they are permitted to remain unfunded under applicable Law;

(l) to the extent constituting Indebtedness, deferred compensation or similar arrangements payable to future, present or former directors, officers, employees, members of management or consultants of the Parent Borrower and the Restricted Subsidiaries;

(m) Indebtedness in respect of repurchase agreements constituting Cash Equivalents;

(n) Indebtedness consisting of promissory notes issued by the Parent Borrower or any Restricted Subsidiary to future, present or former directors, officers, members of management, employees or consultants of the Parent Borrower or any of its Subsidiaries or their respective estates, executors, administrators, heirs, family members, legatees, distributees, spouses or former spouses, domestic partners or former domestic partners to finance the purchase or redemption of Equity Interests of the Parent Borrower permitted by Section 6.07;

(o) cash management obligations and Indebtedness incurred by the Parent Borrower or any Restricted Subsidiary in respect of netting services, overdraft protections, commercial credit cards, stored value cards, purchasing cards and treasury management services, automated clearing-house arrangements, employee credit card programs, controlled disbursement, ACH transactions, return items, interstate deposit network services, dealer incentive, supplier finance or similar programs, Society for Worldwide Interbank Financial Telecommunication transfers, cash pooling and operational foreign exchange management and similar arrangements, in each case entered into in the ordinary course of business in connection with cash management, including among the Parent Borrower and its Restricted Subsidiaries, and deposit accounts;

(p) (i) Indebtedness consisting of the financing of insurance premiums and (ii) take-or-pay obligations constituting Indebtedness of the Parent Borrower or any Restricted Subsidiary, in each case, entered into in the ordinary course of business;

(q) Indebtedness incurred by a Loan Party with respect to letters of credit (other than Letters of Credit issued pursuant to this Agreement), bank guarantees or similar instruments issued for the purposes described in Section 6.02(d), (e), (i), (k) and (ff) or issued to secure trade payables, warehouse receipts or similar facilities entered into in the ordinary course of business or consistent with past practice and the obligations arising under drafts accepted and delivered in connection with a drawing thereunder; provided that (i) upon the drawing of any such letters of credit or the incurrence of such Indebtedness, such obligations are reimbursed within thirty (30) days following such drawing or incurrence and (ii) the aggregate outstanding face amount of all such letters of credit or bank guarantees does not exceed \$50,000,000 at any time;

(r) obligations, contingent or otherwise, for the payment of money under any non-compete, consulting or similar agreement entered into with the seller of a Target or any other similar arrangements providing for the deferred payment of the purchase price for an acquisition permitted hereby;

(s) Indebtedness of the type described in clause (e) of the definition thereof to the extent the related Lien is permitted under Section 6.02;

(t) other Indebtedness of the Parent Borrower and its Restricted Subsidiaries; provided that the aggregate principal amount of Indebtedness permitted by this clause (t) shall not exceed the greater of \$425,000,000 and 25.0% of Adjusted EBITDA (determined at the time of incurrence of such Indebtedness (calculated on a Pro Forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination) at any time outstanding;

(u) unsecured Indebtedness in respect of obligations of the Parent Borrower or any Restricted Subsidiary to pay the deferred purchase price of goods or services or progress payments in connection with such goods and services; provided that such obligations are incurred in connection with open accounts extended by suppliers on customary trade terms in the ordinary course of business and not in connection with the borrowing of money;

(v) Indebtedness of Restricted Subsidiaries that are not Loan Parties in an aggregate amount outstanding not to exceed the greater of \$125,000,000 and 7.0% of Adjusted EBITDA (determined at the time of incurrence of such Indebtedness (calculated on a Pro Forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination) in the aggregate provided such Indebtedness is either (i) unsecured or (ii) secured by only the Equity Interests in or assets of such Restricted Subsidiary that is not a Subsidiary Loan Party;

(w) to the extent constituting Indebtedness, Guarantees in the ordinary course of business of the obligations of suppliers, customers, franchisees and licensees of the Parent Borrower and its Subsidiaries including Guarantees and Investments permitted under Section 6.04(dd);

(x) the Senior Notes and any Permitted Refinancing Indebtedness in respect thereof;

(y) Indebtedness in respect of (i) one or more series of notes issued by any of the Borrowers (or, to the extent unsecured, the Parent Borrower) that are either (x) senior or subordinated and unsecured or (y) secured by Liens on the Collateral ranking junior to or *pari passu* with the Liens securing the Obligations, in each case issued in a public offering, Rule 144A or other private placement in lieu of the foregoing (and any Registered Equivalent Notes issued in exchange therefor), and (ii) loans made to any of the Borrowers (or, to the extent unsecured, the Parent Borrower) that are either (x) senior or subordinated and unsecured or (y) secured by Liens on Collateral ranking *pari passu* or junior to the Liens securing the Obligations (any such Indebtedness, "Incremental Equivalent Debt"); provided that (A) the aggregate initial principal amount of all Incremental Equivalent Debt shall not exceed the amount permitted to be incurred under the Incremental Amount, provided that (x) in the case of Incremental Equivalent Debt secured on a junior basis, in lieu of complying with the maximum First Lien Net Leverage Ratio test set forth in the definition of "Incremental Amount", the Borrowers shall be required to comply with a pro forma Secured Net Leverage Ratio not to exceed 4.75:1.00, (y) in the case of unsecured Incremental Equivalent Debt, in lieu of complying with the maximum First Lien Net Leverage Ratio test set forth in the definition of "Incremental Amount", the Borrowers shall be required to comply with a pro forma Total Net Leverage Ratio not to exceed 5.50:1.00, in each case as of the end of the most recent Test Period and (z) in the case of Incremental Equivalent Debt that is secured, such Incremental Equivalent Debt shall be subject to a Market Intercreditor Agreement reasonably satisfactory to the Administrative Agent, (B) the incurrence of such Indebtedness shall be subject to clauses (i), (ii) and (iv) of Section 2.20(d), as if such Incremental Equivalent Debt constituted Incremental Term Loans (and with respect to Incremental Equivalent Debt in the form of notes, as if such Incremental Term Loans were "term loan B"); provided that (x) clauses (i), (ii) and (iv) of Section 2.20(d) shall not apply to any bridge facility on customary terms if the long-term indebtedness that such bridge facility is to be converted into satisfies the maturity, prepayment and amortization restrictions in such clauses, and any Permitted Refinancing Indebtedness in respect thereof, (C) the terms and conditions including such financial maintenance covenants (if any) applicable to such

Incremental Equivalent Debt (x) shall not be, when taken as a whole, materially more favorable (as determined in good faith by the board of directors of the Parent Borrower), to the holders of such Indebtedness than those applicable under this Agreement (except for covenants or other provisions (i) applicable only to periods after the Latest Maturity Date or (ii) that are also for the benefit of all other Lenders in respect of Loans and Commitments outstanding at the time such Incremental Equivalent Debt is incurred) or (y) shall be current market terms; and (D) if such Incremental Equivalent Debt consists of term loans secured by the Collateral on a *pari passu* basis with the Liens securing the Obligations, clause (vi) of Section 2.20(d), shall also apply as if such Incremental Equivalent Debt were Incremental Term Loans;

(z) Indebtedness in respect of any letter of credit or bank guarantee issued in favor of any Issuing Bank to support any Defaulting Lender's participation in Letters of Credit issued;

(aa) Indebtedness of the Parent Borrower or any Restricted Subsidiary to the extent that 100% of such Indebtedness is supported by any Letter of Credit;

(bb) customer deposits and advance payments received in the ordinary course of business from customers for goods and services purchased in the ordinary course of business;

(cc) (i) unsecured Indebtedness of any Borrower or any Restricted Subsidiary in an aggregate outstanding principal amount not to exceed 100% of the amount of Net Proceeds received by the Parent Borrower from the issuance or sale of Qualified Equity Interests to the extent the relevant Net Proceeds are Not Otherwise Applied and (ii) any Permitted Refinancing Indebtedness in respect thereof;

(dd) Permitted Ratio Debt, Permitted Acquisition Debt and any Permitted Refinancing Indebtedness in respect thereof; provided that the aggregate principal amount of Non-Loan Party Indebtedness incurred pursuant to this clause (dd), shall not at any time exceed the Non-Loan Party Cap;

(ee) Indebtedness of any Restricted Subsidiary incurred for local working capital purposes in an aggregate amount outstanding not to exceed \$150,000,000;

(ff) any consideration notes required to be issued pursuant to terms of the Transaction Agreement;

(gg) Indebtedness of a Receivables Subsidiary pursuant to any Permitted Receivables Facility; and

(hh) Indebtedness of Loan Parties arising under a declaration of joint and several liability used for the purpose of section 2:403 Dutch Civil Code (and any residual liability under such declaration arising pursuant to section 2:404(2) Dutch Civil Code and

Indebtedness arising as a result of a fiscal unity (*fiscale eenheid*) of two entities for Dutch tax purposes).

The Parent Borrower will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in Sections 6.01(a) through (gg).

The accrual of interest, the accretion of accreted value, the payment of interest in the form of additional Indebtedness, the payment of dividends on Disqualified Equity Interests in the form of additional shares of Disqualified Equity Interests, accretion or amortization of original issue discount or liquidation preferences and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate or currencies will not be deemed to be an incurrence of Indebtedness for purposes of this Section 6.01. The principal amount of any non-interest bearing Indebtedness or other discount security constituting Indebtedness at any date shall be the principal amount thereof that would be shown on a consolidated balance sheet of the Parent Borrower dated such date prepared in accordance with GAAP.

Notwithstanding the above, if any Indebtedness is incurred as Permitted Refinancing Indebtedness originally incurred pursuant to this Section 6.01, and such Permitted Refinancing Indebtedness would cause any applicable Dollar-denominated, Adjusted EBITDA or financial ratio restriction contained in this Section 6.01 to be exceeded if calculated on the date of such Permitted Refinancing, such Dollar-denominated, Adjusted EBITDA or financial ratio restriction, as applicable, shall be deemed not to have been exceeded so long as the principal amount of such Permitted Refinancing Indebtedness is permitted to be incurred pursuant to the definition of "Permitted Refinancing Indebtedness."

Section 6.02 Liens. Each Borrower will not, and will not permit any Restricted Subsidiary to, create, incur, assume or permit to exist any Lien on any asset now owned or hereafter acquired by it, or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except:

(a) (i) Liens created under or contemplated by the Loan Documents and (ii) Liens on cash or deposits to cash collateralize any Letters of Credit as contemplated hereunder;

(b) Liens imposed by law for taxes, assessments and governmental charges (i) that are not overdue by more than thirty (30) days or, if more than thirty (30) days overdue, are being contested in a manner consistent with Section 5.04 or (ii) with respect to which the failure to make payment could not reasonably be expected to have a Material Adverse Effect;

(c) carriers', warehousemen's, mechanics', materialmen's, repairmen's, landlord's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations (i) that are not overdue by more than sixty (60) days or, if more than sixty (60) days overdue, are being contested in a manner consistent with Section 5.04 or (ii) with respect to which the failure to make payment could not reasonably be expected to have a Material Adverse Effect;

(d) (i) Liens securing pension obligations that arise in the ordinary course of business and (ii) pledges and deposits made in the ordinary course of business (A) in connection with workers' compensation, health, disability or other employee benefits, unemployment insurance and other social security laws or regulations, property, casualty or liability insurance or premiums related thereto or self-insurance obligations or (B) to secure letters of credit, bank guarantees or similar instruments posted to support payment of items set forth in the foregoing clause (i); provided that such letters of credit, bank guarantees or instruments are issued in compliance with Section 6.01;

(e) Liens securing the performance of, or granted in lieu of, contracts with trade creditors, contracts (other than in respect of debt for borrowed money), leases, bids, statutory obligations, customs, surety, stay, appeal and performance bonds, performance and completion guarantees and other obligations of a like nature (including those to secure health, safety and environmental obligations), in each case incurred in the ordinary course of business or consistent with industry practice and deposits securing letters of credit, bank guarantees or similar instruments posted to support payment of the items set forth in this clause (e); provided that such letters of credit (other than the Letters of Credit), bank guarantees or similar instruments are issued in compliance with Section 6.01;

(f) Liens in respect of judgments, awards, attachments and/or decrees and notices of *lis pendens* and associated rights relating to litigation being contested that do not constitute an Event of Default under clause (j) of Section 8.01;

(g) easements, zoning restrictions, rights-of-way, encroachments, protrusions and similar encumbrances and title defects affecting real property, in each case, that do not materially and adversely interfere with the ordinary conduct of business of the Parent Borrower and its Subsidiaries, taken as a whole;

(h) Liens arising from filing UCC (or similar law of any jurisdiction) financing statements or similar public filings, registrations or agreements in foreign jurisdiction regarding leases and consignment or bailee arrangements permitted or not prohibited by any of the Loan Documents and Liens securing liabilities in respect of indemnification obligations thereunder as long as each such Lien only encumbers the assets that are the subject of the related lease (or contained in such leasehold) or consignment or bailee, and other precautionary statements, filings or agreements;

(i) any interest or title (and any encumbrances on such interest or title) of a lessor, sublessor, licensor or sublicensor or secured by a lessor's, sublessor's, licensor's or sublicensor's interest under any lease or license agreement permitted or not prohibited by any of the Loan Documents and any leases, subleases, licenses or sublicenses granted in the ordinary course of business;

(j) (i) leases, licenses, subleases or sublicenses (including with respect to intellectual property and software) granted to others in the ordinary course of business (or other agreements under which the Parent Borrower or any Restricted Subsidiary has granted rights to end users to access and use the Parent Borrower's or any Restricted Subsidiary's product, technologies or services in the ordinary course of business) which do not interfere in any material respect with the business of the Parent Borrower and its Subsidiaries, taken as a whole and (ii) the rights reserved to or vested in any Person by the terms of any lease, license, franchise, grant or permit held by the Parent Borrower or any of its Restricted Subsidiaries or by a statutory provision to terminate any such lease, license, franchise, grant or permit or to require periodic payments as a condition to the continuance thereof;

(k) Liens granted in the ordinary course of business to secure: (i) liabilities for premiums or reimbursement obligations to insurance carriers, (ii) liabilities in respect of indemnification obligations under leases or other Contractual Obligations, and (iii) letters of credit, bank guarantees or similar instruments posted to support payment of items set forth in this clause (k); provided that (x) such letters of credit, bank guarantees or similar instruments are issued in compliance with Section 6.01, (y) the Liens permitted by clause (iii) shall at no time encumber any assets other than the amount of cash or marketable investments required to be pledged thereunder and (z) the Liens permitted by clause (i) shall at no time encumber assets other than the unearned portion of any insurance premiums, the insurance policies and the proceeds thereof;

(l) Liens (i) of a collection bank arising under Section 4–208 of the Uniform Commercial Code or other similar provisions of applicable Laws on items in the course of collection, (ii) in favor of a banking institution arising as a matter of law encumbering deposits or other funds maintained with financial institutions (including the right of set-off), (iii) arising in connection with pooled deposit or sweep accounts, cash netting, deposit accounts or similar arrangements of the Parent Borrower or any Restricted Subsidiary and consisting of the right to apply the funds held therein to satisfy overdraft or similar obligations incurred in the ordinary course of business of such Person, (iv) encumbering reasonable customary initial deposits and margin deposits and (v) granted in the ordinary course of business by the Parent Borrower or any Restricted Subsidiary to any bank with whom it maintains accounts to the extent required by the relevant bank's (or custodian's or trustee's, as applicable) standard terms and conditions, in each case, which are within the general parameters customary in the banking industry, including any Lien or right of set-off arising under articles 24 or 25 respectively of the general terms and conditions (*algemene voorwaarden*) of any member of the Dutch Bankers' Association (Nederlandse Vereniging van Banken);

(m) Liens in favor of a commodity, brokerage, futures or security intermediary who holds a commodity, brokerage or, as applicable, a futures or security account on behalf of the Parent Borrower or a Restricted Subsidiary provided such Lien encumbers only the related account and the property held therein;

(n) any Lien on any asset of the Parent Borrower or any Restricted Subsidiary existing on the date hereof and set forth in Schedule 6.02; provided that (i) such Lien shall not apply to any other property or asset of the Parent Borrower or any Restricted Subsidiary (other than the proceeds and products thereof and accessions and improvements thereto, except that individual financings provided by a Person or its Affiliates may be cross collateralized to other financings provided by such Person or its Affiliates) and (ii) such Lien shall secure only those obligations which it secures on the Restatement Effective Date and obligations not otherwise prohibited under the Loan Documents and amendments, modifications, extensions, renewals and replacements thereof (which, if such obligations constitute Indebtedness, are permitted by Section 6.01);

(o) any Lien existing on any equipment (including rolling stock), fixtures or real property or any assets subject to the Indebtedness permitted under clause (g) of Section 6.01, in each case, prior to and at the time of the acquisition thereof by the Parent Borrower or any Restricted Subsidiary or existing on any such property or assets of any Person that becomes a Restricted Subsidiary after the date hereof prior to and at the time such Person becomes a Restricted Subsidiary; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Restricted Subsidiary, as the case may be, (ii) such Lien shall not apply to any other assets of the Parent Borrower or any Restricted Subsidiary other than Person(s) acquired and/or formed to make such acquisition and Subsidiaries of such Person(s) (other than the proceeds or products thereof

and after-acquired property of and Equity Interests in such acquired Restricted Subsidiary subjected to a Lien pursuant to the terms existing at the time of such acquisition (it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition); and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be and any refinancings, amendments, modifications, extensions, renewals or replacements thereof and if such obligations (or as applicable, any refinancings, amendments, modifications, extensions, renewals or replacements thereof) are Indebtedness, such Indebtedness is otherwise permitted by Section 6.01 (it being understood for purposes of this clause (o) that individual financings provided by a Person or its Affiliates may be cross collateralized to other financings provided by such Person or its Affiliates);

(p) (i) Liens on specific assets (including rolling stock) acquired, constructed, repaired or improved by the Parent Borrower or any Restricted Subsidiary (including the interests of vendors and lessors under conditional sale, title retention agreements and extended title retention); provided that (A) such security interests secure Indebtedness permitted by clause (e) or clause (f) of Section 6.01, (B) in the case of Indebtedness incurred under Section 6.01(e) such security interests and the Indebtedness secured thereby are incurred prior to or within two hundred seventy (270) days after such acquisition or the completion of such construction, repair or improvement and (C) such security interests shall not apply to any other assets of the Parent Borrower or any Restricted Subsidiary (other than the proceeds or products thereof and after-acquired property subjected to a Lien pursuant to the terms existing at the time of such acquisition (it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition)), and (ii) any amendments, modifications, extensions, renewals or replacements thereof and if such obligations (or as applicable, any amendments, modifications, extensions, renewals or replacements thereof) are Indebtedness, such Indebtedness is otherwise permitted by Section 6.01 (it being understood for purposes of this clause (p) that individual financings provided by a Person or its Affiliates may be cross collateralized to other financings provided by such Person or its Affiliates);

(q) Liens (i) in favor of customs and revenue authorities arising as a matter of law in the ordinary course of business to secure payment of customs duties that (a) are not overdue by more than thirty (30) days or, if more than thirty (30) days overdue, are being contested in a manner consistent with Section 5.04 or (b) with respect to which the failure to make payment could not reasonably be expected to have a Material Adverse Effect and (ii) on specific items of inventory or other goods and proceeds thereof of any Person securing such Person's obligations in respect of bankers' acceptances or letters of credit issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or such other goods in the ordinary course;

(r) Liens (i) (A) on advances of cash or Cash Equivalents in favor of the seller of any property to be acquired in an Investment permitted pursuant to Section 6.04 to be applied against the purchase price for such Investment, and (B) consisting of an agreement to dispose of any property in a Disposition permitted under Section 6.05, in each case, solely to the extent such Investment or Disposition, as the case may be, would have been permitted on the date of the creation of such Lien or on the date of any contract for such Investment or Disposition and (ii) on cash earnest money deposits made by the Parent Borrower or any Restricted Subsidiary in connection with any letter of intent or purchase agreement permitted hereunder;

(s) Liens that are contractual rights of set-off relating to purchase orders and other similar agreements entered into in the ordinary course of business;

(t) Liens on any cash earned money deposits made by the Parent Borrower or any of its Restricted Subsidiaries in connection with any Permitted Acquisition or any other Investment permitted hereunder;

(u) Liens representing the interest of a purchaser of goods sold by the Parent Borrower or any of its Restricted Subsidiaries in the ordinary course of business under conditional sale, title retention and extended title retention, consignment, bailee or similar arrangements; provided that such Liens arise only under the applicable conditional sale, title retention, consignment, bailee or similar arrangements and such Liens only encumber the good so sold thereunder;

(v) Liens on repurchase agreements constituting Cash Equivalents;

(w) other Liens securing Indebtedness or other obligations in an aggregate principal amount not to exceed the greater of \$425,000,000 and 25.0% of Adjusted EBITDA (determined at the time of incurrence of any such Lien (calculated on a Pro Forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination) at any time outstanding; provided that to the extent any Liens are incurred under this clause (w) to secure any Indebtedness for borrowed money with any of the Collateral, such Indebtedness shall be subject to a Market Intercreditor Agreement reasonably satisfactory to the Administrative Agent providing for such Indebtedness to be secured with the applicable Obligations on, at the Parent Borrower's option, a *pari passu* (other than with respect to control of remedies) or junior basis to the Liens securing such Obligations;

(x) Liens (i) on Equity Interests in joint ventures or Unrestricted Subsidiaries; provided such Liens secure Indebtedness of such joint venture or Unrestricted Subsidiary, as applicable, (ii) consisting of customary rights of first refusal and tag, drag and similar rights in joint venture agreements and agreements with respect to non-wholly owned Subsidiaries and (iii) consisting of any encumbrance or restriction (including put and call arrangements) in favor of a joint venture party with respect to Equity Interests of, or assets owned by, any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(y) Liens on property constituting Collateral of the Loan Parties securing obligations issued or incurred under (i) any Refinancing Notes and the Refinancing Notes Indentures related thereto and any Permitted Refinancing Indebtedness in respect thereof, (ii) any Refinancing Loans and the Refinancing Loans Agreements and any Permitted Refinancing Indebtedness in respect thereof, in each case, to the extent required by the documentation in respect of such notes or loans, as applicable and (iii) Incremental Equivalent Debt and any Permitted Refinancing Indebtedness in respect thereof; provided that at the time of incurrence thereof such obligations are permitted to be secured pursuant to the definitions of Refinancing Notes, Refinancing Loans, Incremental Equivalent Debt or Permitted Refinancing Indebtedness in respect thereof, as applicable, and (y) such Indebtedness is subject to a Market Intercreditor Agreement reasonably satisfactory to the Administrative Agent;

(z) [reserved];

(aa) Liens on assets and capital stock of Restricted Subsidiaries that are not Loan Parties (including capital stock owned by such Persons) securing Indebtedness of Restricted Subsidiaries that are not Loan Parties permitted pursuant to Section 6.01;

(bb) Liens on deposits or other amounts held in escrow to secure contractual payments (contingent or otherwise) payable by the Parent Borrower or its Restricted Subsidiaries to a seller after the consummation of a Permitted Acquisition;

(cc) Liens on property constituting Collateral of the Loan Parties securing obligations (i) issued or incurred pursuant to Section 6.01(dd), subject to (A) in the case of any such Liens on the Collateral securing obligations on a *pari passu* basis with the Liens securing the Obligations, the First Lien Net Leverage Ratio being equal to or less than 3.00:1.00 and (B) in the case of any such Liens on the Collateral securing obligations on a junior basis with the Obligations, the Secured Net Leverage Ratio being equal to or less than 4.75:1.00, in each case, on a Pro Forma Basis; provided that, in the case of Liens securing Indebtedness the proceeds of which will be applied to finance a Limited Condition Transaction, compliance with this clause (cc) shall be determined in accordance with Section 1.03; provided, further that in the case of Permitted Ratio Debt or Permitted Acquisition Debt in the form of Loans secured by the Collateral on a *pari passu* basis, with the Obligations the incurrence of such Indebtedness shall be subject to clause (iv) of Section 2.20(d), as if such Permitted Ratio Debt or Permitted Acquisition Debt constituted Incremental Term Loans and (ii) Permitted Refinancing Indebtedness in respect thereof; and provided that all such Indebtedness shall be subject to a Market Intercreditor Agreement reasonably satisfactory to the Administrative Agent;

(dd) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(ee) (i) Liens constituting customary cash collateral arrangements in relation to obligations under Swap Agreements permitted by Section 6.06 or (ii) Liens securing obligations of the type described in Section 6.01(o);

(ff) (i) deposits of cash with the owner or lessor of premises leased or operated by the Parent Borrower or any of the Subsidiaries and (ii) cash collateral on deposit with banks or other financial institutions issuing letters of credit (or backstopping such letters of credit) or other equivalent bank guarantees issued naming as beneficiaries the owners or lessors of premises leased or operated by the Parent Borrower or any of the Subsidiaries, in each case in the ordinary course of business of the Parent Borrower and such Subsidiaries to secure the performance of the Parent Borrower's or such Subsidiary's obligations under the terms of the lease for such premises;

(gg) Liens on the proceeds of Escrow Debt and any interest thereof, securing the applicable Escrow Debt;

(hh) any netting or set-off arrangement entered into by any member of the Group under a derivative transaction permitted by this Agreement) for the purposes of determining the obligations of the parties to that agreement by reference to their net exposure under that agreement; and

(ii) any Lien that arises or may be deemed to arise from any Permitted Receivables Facility or from other sales of receivables pursuant to factoring permitted pursuant to Section 6.05(x).

The expansion of Liens by virtue of accrual of interest, the accretion of accreted value, the payment of interest or dividends in the form of additional Indebtedness, amortization of original issue discount and increases in the amount of Indebtedness outstanding solely as a result of fluctuations in the exchange rate of currencies will not be deemed to be an incurrence of Liens for purposes of this Section 6.02.

For purposes of determining compliance with this Section 6.02, a Lien need not be incurred solely by reference to one category of Liens described in clauses (a) through (ii) above

but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category).

Section 6.03 Fundamental Changes. Each Borrower will not, and will not permit any Restricted Subsidiary to, merge into or amalgamate or consolidate with any other Person, or permit any other Person to merge into or consolidate or amalgamate with it, or liquidate or dissolve, except that:

(a) any Subsidiary may merge with a Borrower in a transaction in which such Borrower is the surviving Person (or in the case of a transitory merger where the surviving Person assumes the Obligations in a manner reasonably acceptable to the Administrative Agent and is organized under the laws of the same jurisdiction of such Borrower);

(b) any Restricted Subsidiary may merge with any Subsidiary in a transaction in which the surviving entity is a Restricted Subsidiary;

(c) any Person may merge into a Borrower in an Investment permitted by Section 6.04 in which such Borrower is the surviving Person;

(d) any Person may merge with a Restricted Subsidiary in an Investment permitted by Section 6.04 in which the surviving entity is a Restricted Subsidiary so long as if any party to such merger is a Loan Party, the surviving entity is a Loan Party (or the surviving Person assumes the Obligations of such non-surviving Loan Party in a manner reasonably acceptable to the Administrative Agent);

(e) any Subsidiary (other than a Borrower) may liquidate or dissolve or change in legal form if the Parent Borrower determines in good faith that such liquidation or dissolution or change in legal form is in the best interests of the Parent Borrower and is not materially disadvantageous to the Lenders; and

(f) in connection with the Disposition of a Subsidiary (other than a Borrower) or its assets permitted by Section 6.05, such Subsidiary may merge with or into any other Person.

Notwithstanding the foregoing, the Parent Borrower will not, and will not permit any of its Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Parent Borrower and its Subsidiaries on the date of execution of this Agreement and businesses reasonably related, complementary or ancillary thereto or a reasonable extension or expansion thereof as determined by the Parent Borrower in good faith.

Section 6.04 Investments, Loans, Advances, Guarantees and Acquisitions. Each Borrower will not, and will not permit any Restricted Subsidiary to, purchase, hold or acquire (including pursuant to any merger with any Person that was not a wholly owned Subsidiary prior to such merger) any Equity Interests in or evidences of Indebtedness or other securities (including any option, warrant or other right to acquire any of the foregoing) of, make or permit to exist any loans or advances to, Guarantee any Indebtedness of, any other Person, or purchase or otherwise acquire (in one transaction or a series of transactions) any assets of any other Person constituting a business unit or all or substantially all of the assets of a division or branch of any Person (any one of the actions described in the foregoing provisions of this Section 6.04, herein an "Investment"), except:

(a) Investments in the form of cash, Cash Equivalents and Investments that were Cash Equivalents when such Investments were made;

(b) Investments (i) existing on, or contractually committed as of, the date hereof and set forth on Schedule 6.04, (ii) consisting of intercompany Investments outstanding on the date hereof, and (iii) and any modification, replacement, renewal or extension of the foregoing; provided that the amount of the original Investment is not increased except by the terms of such Investment or as otherwise permitted by this Section 6.04;

(c) Investments among the Parent Borrower and its Restricted Subsidiaries (including between or among Restricted Subsidiaries and including in connection with the formation of Restricted Subsidiaries);

(d) Guarantees constituting Indebtedness permitted by Section 6.01 and payments thereon or Investments in respect thereof in lieu of such payments; provided that (i) the aggregate principal amount of Indebtedness of Subsidiaries that are Unrestricted Subsidiaries that is Guaranteed by any Loan Party shall be subject to the limitation set forth in clause (p) below (it being understood that any such Guarantee in reliance upon the reference to such clause (p) shall reduce the amount otherwise available under such clause (p) while such Guarantee is outstanding), (ii) if such Guarantee is by a non-Loan Party, such non-Loan Party would have been able to incur the Guaranteed Indebtedness directly under Section 6.01 (for the avoidance of doubt, without duplication of the primary and Guaranteed obligations with respect to underlying Indebtedness primary Indebtedness of a non-Loan Party) and (iii) if the Guaranteed Indebtedness is subordinated the Guarantee of such Indebtedness is subordinated on the same terms;

(e) Investments received (i) in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts or disputes with or judgments against, any Person, or foreclosure or deed in lieu of foreclosure with respect to any Lien held as security for an obligation, in each case in the ordinary course of business, (ii) upon the foreclosure with respect to any secured Investment, (iii) as a result of the settlement, compromise or resolution of litigation, arbitration or other disputes or (iv) in settlement of debt created in the ordinary course of business;

(f) notes and other non-cash consideration received as part of the purchase price of assets subject to a Disposition pursuant to Section 6.05;

(g) advances or extensions of trade credit in the ordinary course of business;

(h) Investments arising in connection with Swap Agreements permitted by Section 6.06; provided that the aggregate amount of Investments by Loan Parties in or for the benefit of Unrestricted Subsidiaries shall be subject to the limitation set forth in clause (p) below (it being understood that any such Investment in reliance upon the reference to such clause (p) shall reduce the amount otherwise available under such clause (p) while such Swap Agreement is outstanding);

(i) loans and advances to future, present or former officers, directors, employees, members of management or consultants of the Parent Borrower and its Restricted Subsidiaries made (i) in the ordinary course of business for travel and entertainment expenses, relocation costs and similar purposes or consistent with past practices and (ii) in connection with such Person's purchase of Equity Interests of the Parent Borrower; provided that, to the extent such loans or advances are made in cash, the amount of such loans and advances used to acquire such Equity Interests shall be contributed or paid to the Parent Borrower in cash, and (iii) for any other purpose in an aggregate amount not to exceed \$20,000,000 for all such loans and advances in the aggregate at any one time outstanding;

(j) the Parent Borrower and the Restricted Subsidiaries may make Investments using the Net Proceeds actually received by the Parent Borrower from and after the Restatement Effective Date from the sale of Equity Interests of the Parent Borrower (other than (i) Disqualified Equity Interests, (ii) Equity Interests issued or sold to a Restricted Subsidiary or an employee stock ownership plan or similar trust to the extent such sale to an employee stock ownership plan or similar trust is financed by loans from or Guaranteed by the Parent Borrower or any Restricted Subsidiary unless such loans have been repaid with cash on or prior to the date of determination, (iii) Equity Interests the Net Proceeds of which are used to repay long-term Indebtedness for borrowed money (other than revolving loans) and (iv) Specified Equity Contributions) so long as such Net Proceeds are Not Otherwise Applied;

(k) the Parent Borrower or a Restricted Subsidiary may purchase, hold or acquire (including pursuant to a merger, consolidation, amalgamation or otherwise) at least a majority of the Equity Interests of a Person (including with respect to an Investment in a Restricted Subsidiary that serves to increase the Parent Borrower's or its Restricted Subsidiaries' respective ownership of Equity Interests therein) and may purchase or otherwise acquire (in one transaction or a series of transactions) all or substantially all of the assets of any other Person or all or substantially all of the assets of a division, line of business or branch of such Person, if, with respect to each such acquisition (a "Permitted Acquisition");

(i) Event of Default, no Event of Default has occurred and is continuing or would result therefrom on the date the definitive agreement for the

Permitted Acquisition is entered into by the Parent Borrower and/or the Restricted Subsidiary, as applicable;

(ii) Pro Forma Compliance, at the option of the Parent Borrower, on the date on which the definitive agreement governing the relevant transaction is executed or on the date of the consummation of such Permitted Acquisition, the Parent Borrower shall be in compliance with the Financial Covenant on a Pro Forma Basis, as of the last day of the most recently ended Test Period on or prior to the date of determination;

(iii) Similar Business, the Target or recipient of such Investment is involved in the same general type of business activities as the Parent Borrower and the Restricted Subsidiaries or activities complementary, ancillary or reasonably related thereto or a reasonable extension or expansion thereof; and

(iv) Collateral and Guarantee Requirement, the Borrowers shall comply with the Collateral and Guarantee Requirement to the extent applicable (and subject to the time periods in Section 5.10);

(l) Investments consisting of Indebtedness, Liens, fundamental changes, Dispositions, sale leaseback transactions, Swap Obligations, Restricted Payments and Affiliate transactions permitted under Sections 6.01, 6.02, 6.03, 6.05, 6.06, 6.07 and 6.08, respectively;

(m) advances of payroll payments to employees in the ordinary course of business;

(n) Guarantees by the Parent Borrower and the Restricted Subsidiaries of leases of the Parent Borrower and Restricted Subsidiaries (other than Capital Lease Obligations) or of other obligations not constituting Indebtedness, in each case entered into in the ordinary course of business and payments thereon or Investments in respect thereof *in lieu* of such payments;

(o) Investments (i) consisting of endorsements for collection or deposit, (ii) resulting from pledges and/or deposits permitted by Sections 6.02(d), (e), (k) and (l) and (iii) consisting of the licensing, sublicensing or contribution of intellectual property pursuant to joint marketing arrangements, in each case, in the ordinary course of business;

(p) in addition to the Investments otherwise permitted by this Section 6.04, the Parent Borrower and the Restricted Subsidiaries may make Investments in an aggregate amount not to exceed the greater of \$500,000,000 and 26.0% of Adjusted EBITDA (in each case as determined at the time any such Investment is made (calculated on Pro Forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination) at any time outstanding;

(q) (i) any Investments in any Subsidiary or joint venture in connection with intercompany cash management arrangements or related activities arising in the ordinary course of business; provided that any entity that serves to hold cash balances for the purposes of making such advances to Subsidiaries or joint ventures is a Loan Party and (ii) Investments by the Parent Borrower in any Subsidiary or joint venture to enable it to obtain cash management and similar arrangements described in Section 6.01(o);

(r) any acquisition of assets or Equity Interests solely in exchange for, or out of the Net Proceeds received from, the substantially contemporaneous issuance of Equity Interests (other than Disqualified Equity Interests) of the Parent Borrower;

(s) endorsements of negotiable instruments and documents in the ordinary course of business;

(t) Investments made in connection with the funding of contributions under any non-qualified retirement plan or similar employee compensation plan in an amount not to exceed the amount of compensation expense recognized by the Parent Borrower and its Restricted Subsidiaries in connection with such plans;

(u) other Investments in an aggregate amount not to exceed the Available Amount; provided that prior to and after giving effect thereto no Event of Default shall exist or result therefrom;

(v) Investments in any Restricted Subsidiary that is not a Loan Party in an amount required to permit such Restricted Subsidiary to consummate a Permitted Acquisition or other Investment permitted hereunder substantially contemporaneously with the receipt by such Restricted Subsidiary of the proceeds of such Investment;

(w) Investments (i) in Restricted Subsidiaries in connection with reorganizations or other activities related to Tax planning; provided that, after giving effect to any such reorganization or other activity related to Tax planning, the security interest of the Administrative Agent in the Collateral, taken as a whole, is not materially impaired and (ii) by any Loan Party in any non-Loan Party consisting of the contribution of Equity Interests of any Person that is not a Loan Party;

(x) (i) Investments held by any Restricted Subsidiary acquired after the Restatement Effective Date, or of any Person acquired by, or merged into or consolidated or amalgamated with the Parent Borrower or any Restricted Subsidiary after the Restatement Effective Date, in each case as part of an Investment otherwise permitted by this Section 6.04 to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger, amalgamation or consolidation and were in existence on the date of the relevant acquisition, merger, amalgamation or consolidation and (ii) any modification, replacement, renewal or extension of any Investment permitted under clause (i) of this Section 6.04(x) so long as no such modification, replacement, renewal or extension thereof increases the amount of such Investment except as otherwise permitted by this Section 6.04;

(y) (x) Investments made in joint ventures or non-wholly-owned Subsidiaries as required by, or made pursuant to, buy/sell arrangements (including put and call arrangements) between the joint venture parties set forth in joint venture agreements and similar binding arrangements existing on the date hereof and disclosed in filings with the SEC prior to the date hereof in an aggregate amount not to exceed \$275,000,000 and (y) any other Investments made in joint ventures, non-wholly owned subsidiaries or Unrestricted Subsidiaries in an aggregate amount not to exceed the greater of \$275,000,000 and 16.0% of Adjusted EBITDA (in each case as determined at the time any such Investment is made (calculated on Pro Forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination) at any time outstanding;

(z) [reserved];

(aa) Investments (i) constituting deposits, prepayments and/or other credits to suppliers, (ii) made in connection with obtaining, maintaining or renewing client and customer contracts and/or (iii) in the form of advances made to distributors, suppliers, licensors and licensees, in each case, in the ordinary course of business;

(bb) other Investments in an amount such that the Total Net Leverage Ratio on a Pro Forma Basis as of the end of the most recent Test Period is less than or equal to 3.75:1.00; provided that prior to and after giving effect thereto no Event of Default shall exist or result therefrom; provided, further, that if the proceeds of the Investment will be applied to finance a Limited Condition Transaction, compliance with this clause (bb) shall be determined in accordance with Section 1.03;

(cc) Asset Swaps consummated in compliance with Section 6.05; and

(dd) Investments in the form of loans and other funding arrangements to salons, (i) existing on the Restatement Effective Date or (ii) made after the Restatement Effective Date in an amount not to exceed \$175,000,000 in any fiscal year.

For purposes of compliance with this Section 6.04, the amount of any Investment shall be the amount actually invested (measured at the time made), without adjustment for subsequent increases or decreases in the value of such Investment but giving effect to any returns or distributions of capital or repayment of principal actually received in cash by such other Person with respect thereto (but only to the extent that the aggregate amount of all such returns, distributions and repayments with respect to such Investment does not exceed the principal amount of such Investment and less any such amount which increases the Available Amount).

Any Investment that exceeds the limits of any particular clause set forth above may be allocated amongst more than one of such clauses to permit the incurrence of holding of such Investment to the extent such excess is permitted as an Investment under such other clauses.

Section 6.05 Asset Sales. Each Borrower will not, and will not permit any Restricted Subsidiary to, sell, transfer, lease or otherwise dispose of any asset, including any Equity Interest owned by it (each such sale, transfer, lease or other disposition herein a "Disposition") of any

asset having a fair market value in excess of \$7,500,000 in a single transaction or series of transactions nor will the Parent Borrower permit any of the Restricted Subsidiaries to issue any additional Equity Interest except:

- (a) Dispositions of inventory (including on an intercompany basis), vehicles, obsolete, used, worn-out or surplus assets or property no longer useful to the business of such Person or economically impracticable to maintain and Cash Equivalents in the ordinary course of business;
- (b) Dispositions of assets to a Borrower or a Restricted Subsidiary;
- (c) Dispositions of property subject to or resulting from casualty losses and condemnation proceedings (including in lieu thereof or any similar proceedings);
- (d) Asset Swaps; provided, that immediately after giving effect to such Asset Swap, the Parent Borrower shall be in compliance, on a Pro Forma Basis, with the Financial Covenant;
- (e) Dispositions in connection with any sale-leaseback or similar transaction; provided that the fair market value of all property so disposed of shall not exceed \$150,000,000 from and after the Restatement Effective Date;
- (f) Dispositions permitted by Sections 6.02 (and of the Liens thereunder), 6.03 (so long as any Disposition pursuant to a liquidation permitted pursuant to Section 6.03 shall be done on a *pro rata* basis among the equity holders of the applicable Subsidiary), 6.04, 6.06, 6.07 and 6.08;
- (g) the issuance of Equity Interests by a Restricted Subsidiary to the Parent Borrower or to another Restricted Subsidiary (and each other equity holder on no greater than a *pro rata* basis);
- (h) (i) Dispositions of Investments and accounts receivable in connection with the collection, settlement or compromise thereof in the ordinary course of business or (ii) any surrender or waiver of contract rights pursuant to a settlement, release, recovery on or surrender of contract, tort or other claims of any kind;
- (i) Dispositions consisting of (i) the abandonment of intellectual property which, in the reasonable good faith determination of the Parent Borrower, is not material to the conduct of the business of the Parent Borrower and its Subsidiaries and (ii) licensing, sublicensing and cross-licensing arrangements involving any technology or other intellectual property or general intangibles of the Parent Borrower or its Subsidiaries entered into in the ordinary course of business;
- (j) Dispositions of residential real property and related assets in the ordinary course of business in connection with relocation activities for directors, officers, members of management, employees or consultants of the Loan Parties;

(k) terminations of Swap Agreements;

(l) Dispositions of the Equity Interests of, or the assets or securities of, Unrestricted Subsidiaries;

(m) other Dispositions; provided that in each case: (i) the Net Proceeds of such disposition shall, if required by Section 2.11(c), be delivered to the Administrative Agent for repayment of the Term Loans in compliance with Section 2.11(c) and (ii) the Parent Borrower and the Restricted Subsidiaries shall have received no less than 75% of such consideration in the form of cash or Cash Equivalents; provided that for purposes of the 75% cash consideration requirement (A) the amount of any Indebtedness or other liabilities (other than Indebtedness or other liabilities that are subordinated to the Obligations or that are owed to the Parent Borrower or a Restricted Subsidiary) of the Parent Borrower or any applicable Restricted Subsidiary (as shown on such Person's most recent balance sheet or in the notes thereto) that are (x) assumed by the transferee of any such assets or (y) otherwise cancelled or terminated in connection with the transaction with such transferee and, in each case, for which the Parent Borrower and its Restricted Subsidiaries (to the extent previously liable thereunder) shall have been validly released by all relevant creditors in writing, (B) the amount of any trade-in value applied to the purchase price of any replacement assets acquired in connection with such Disposition, (C) any securities, notes or other obligations or assets received by the Parent Borrower or any Restricted Subsidiary from such transferee that are converted by such Person into cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received) within one hundred eighty (180) days following the closing of the applicable Disposition, (D) Indebtedness of any Restricted Subsidiary that ceases to be a Restricted Subsidiary as a result of such Disposition (other than intercompany debt owed to a Borrower or its Restricted Subsidiaries), to the extent that the Borrowers and all of the Restricted Subsidiaries (to the extent previously liable thereunder) are released from any guarantee of payment of the principal amount of such Indebtedness in connection with such Disposition and (E) any Designated Non-Cash Consideration received in respect of such Disposition having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (m) that is at that time outstanding, not in excess of the greater of \$200,000,000 and 12.5% of Adjusted EBITDA (as determined at the time any such asset sale is made (calculated on a Pro Forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination, shall be deemed to be cash, with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value;

(n) Dispositions of Investments in joint ventures to the extent required by, or made pursuant to, buy/sell arrangements between the joint venture parties set forth in the joint venture agreement or similar binding agreements entered into with respect to such Investment in such joint venture;

(o) the expiration of any option agreement with respect to real or personal property;

(p) Dispositions of Equity Interests deemed to occur upon the exercise of stock options, warrants or other convertible securities if such Equity Interests represent (i) a portion of the exercise price thereof or (ii) withholding incurred in connection with such exercise;

(q) leases, subleases, licenses or sublicenses of property or intellectual property in the ordinary course of business;

(r) Dispositions of non-core assets (which may include real property) acquired in an acquisition permitted under this Agreement to the extent such Disposition is consummated within two (2) years of such acquisition;

(s) other Dispositions in an aggregate amount not to exceed the greater of \$150,000,000 and 9.0% of Adjusted EBITDA (as determined at the time any such Disposition is made (calculated on a pro forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination) in any fiscal year;

(t) Dispositions of letters of credit and/or bank guarantees (and/or the rights thereunder) to banks or other financial institutions in the ordinary course of business in exchange for cash and/or Cash Equivalents;

(u) Dispositions by the Parent Borrower or its restricted subsidiaries identified on Schedule 6.05 as of the Restatement Effective Date contemplated by one or more disposition plans disclosed in the Parent Borrower's public filings;

(v) any Disposition of cash where that disposition is not otherwise prohibited by the Loan Documents;

(w) the issuance of Equity Interests by a Restricted Subsidiary that represents all or a portion of the consideration paid by the Parent Borrower or a Restricted Subsidiary in connection with any Investment permitted by Section 6.04, including in connection with the formation of a joint venture with a Person other than a Restricted Subsidiary; and

(x) sales of receivables pursuant to any Permitted Receivables Facility and sales of receivables by any Swiss, French, Dutch, United Kingdom, Spanish, German or Italian Subsidiary pursuant to factoring arrangements entered into in the ordinary course of business consistent with past practices.

provided that all Dispositions permitted hereby (other than those permitted by clauses (a), (b), (c), (d), (e), (f), (g), (h), (i), (k), (n), (o), (p), (q), (r), (u), and (v) above) shall be made for fair value.

Section 6.07 Swap Agreements. Each Borrower will not, and will not permit any Restricted Subsidiary to, enter into any Swap Agreement, except (a) Swap Agreements entered into to hedge or mitigate risks to which the Parent Borrower or any Restricted Subsidiary has actual or potential exposure (other than those in respect of Equity Interests of the Parent Borrower or any of its Restricted Subsidiaries), except as may be related to convertible

indebtedness, including to hedge or mitigate foreign currency and commodity price risks, (b) Swap Agreements entered into in order to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or Investment of the Parent Borrower or any Restricted Subsidiary and (c) any accelerated share repurchase contract, prepaid forward purchase contract or similar contract with respect to the purchase by the Parent Borrower of its Equity Interest, which purchase is permitted by Section 6.07.

Section 6.08 Restricted Payments: Certain Payments of Indebtedness.

(a) Each Borrower will not, and will not permit any Restricted Subsidiary to, declare or make, directly or indirectly, any Restricted Payment, except:

(i) such Borrower may declare and pay dividends with respect to its Equity Interests payable solely in additional shares of its Equity Interests;

(ii) Restricted Subsidiaries may declare and make Restricted Payments with respect to their Equity Interests (provided that if such Restricted Subsidiary is not wholly-owned by the Parent Borrower, such dividends must be made on a *pro rata* basis to the holders of its Equity Interests or on a greater than ratable basis to the extent such greater payments are made solely to a Restricted Subsidiary);

(iii) to the extent constituting Restricted Payments, the Parent Borrower and its Restricted Subsidiaries may enter into transactions expressly permitted by Sections 6.03, 6.04, 6.05 or 6.08;

(iv) repurchases by the Parent Borrower of partial interests in its Equity Interests for nominal amounts which are required to be repurchased in connection with the exercise of stock options or warrants to permit the issuance of only whole shares of Equity Interests;

(v) the Parent Borrower may pay for the repurchase, retirement or other acquisition or retirement for value of Equity Interests of the Parent Borrower (including related stock appreciation rights or similar securities) held by any future, present or former director, officer, member of management, employee or consultant of the Parent Borrower or any of its Subsidiaries (or the estate, heirs, family members, spouse, former spouse, domestic partner or former domestic partner of any of the foregoing); provided that (A) at the time of any such repurchase, retirement or other acquisition or retirement for value no Default has occurred and is continuing or would result therefrom, (B) the aggregate amount of Restricted Payments made under this clause (v) in any fiscal year does not exceed (x) \$20,000,000 (the "Yearly Limit") plus (y) the portion of the Yearly Limit from each of the immediately preceding four fiscal years (not including any fiscal year ending prior to 2018) which was not expended by the Parent Borrower for Restricted Payments in such fiscal years (the "Carryover Amount") and in calculating the Carryover Amount for any fiscal year, the Yearly Limit applicable to the previous fiscal years shall be deemed to have been utilized first by any Restricted Payments made under this clause (v) in such fiscal year plus (z) an

amount equal to the cash proceeds from the sale of Equity Interests to directors, officers, members of management, employees or consultants of the Parent Borrower or of its Subsidiaries (or the estate, heirs, family members, spouse or former spouse of any of the foregoing) in such fiscal year;

(vi) the repurchase of Equity Interests of the Parent Borrower that occurs upon the cashless exercise of stock options, warrants or other convertible securities as a result of the Parent Borrower accepting such options, warrants or other convertible securities as satisfaction of the exercise price of such Equity Interests;

(vii) the Parent Borrower and any Restricted Subsidiary may pay cash payments in lieu of fractional shares in connection with (i) any dividend, split or combination of its Equity Interests or any Permitted Acquisition (or similar Investment) or (ii) the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests of the Parent Borrower or any of its Subsidiaries;

(viii) repurchase of Equity Interests deemed to occur upon the non-cash exercise of Equity Interests to pay Taxes;

(ix) the Parent Borrower and its Restricted Subsidiaries may make Restricted Payments in an aggregate amount not to exceed the Available Amount; provided that (A) no Event of Default shall exist or result therefrom and (B) the Parent Borrower shall be in compliance with the Financial Covenant on a Pro Forma Basis for the most recently ended Test Period, in each case determined, at the election of the Parent Borrower, at the time of (x) declaration of such Restricted Payment or (y) the making or consummation, as applicable, of such Restricted Payment;

(x) the Parent Borrower and its Restricted Subsidiaries may make Restricted Payments in an aggregate amount in any fiscal year not to exceed the greater of \$400,000,000 and 23.0% of Adjusted EBITDA (in each case as determined at the time any such Restricted Payment is made (calculated on a Pro Forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination), it being agreed that the Parent Borrower shall be permitted to carry forward unused amounts to subsequent fiscal years (beginning with unused amounts in the fiscal year ending June 30, 2018); provided that as of the date of any such Restricted Payment and after giving effect thereto, the Parent Borrower shall be in compliance with the Financial Covenant on a Pro Forma Basis for the most recently ended Test Period and no Event of Default shall exist or result therefrom;

(xi) the Parent Borrower and its Restricted Subsidiaries may make Restricted Payments if the Total Net Leverage Ratio on a Pro Forma Basis as of

the end of the most recent Test Period is less than or equal to 3.25:1.00; provided that no Event of Default shall exist or result therefrom;

(xii) the Parent Borrower and its Restricted Subsidiaries may make Restricted Payments in an aggregate amount not to exceed \$500,000,000; provided that as of the date of any such Restricted Payment and after giving effect thereto, no Event of Default shall exist or result therefrom;

(xiii) any Borrower may make Restricted Payments in an amount not to exceed the amount of Excluded Contributions previously received by the Parent Borrower Not Otherwise Applied;

(xiv) repurchases of the Parent Borrower's Class A common stock pursuant to the share repurchase authorization described in that certain Form 8-K of the Parent Borrower dated August 13, 2015 and the Parent Borrower's share repurchase program referenced therein; and

(b) Each Borrower will not, nor will it permit any of its Restricted Subsidiaries to, make any payment, directly or indirectly, in respect of any purchase, redemption, retirement, acquisition, cancellation or termination of any Junior Indebtedness prior to the scheduled maturity thereof (it being understood that payments of regularly scheduled principal, interest, mandatory prepayments, mandatory offers to purchase, fees, expenses and indemnification obligations shall be permitted) (such Indebtedness, collectively, "Restricted Indebtedness"), or any other payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Restricted Indebtedness or any other payment (including any payment under any Swap Agreement) that has a substantially similar effect to any of the foregoing, except:

(i) refinancings of Restricted Indebtedness to the extent permitted by Section 6.01;

(ii) payments or other distributions in respect of principal or interest on, or payment or other distribution on account of the purchase, redemption, retirement, acquisition, cancellation or termination of, Restricted Indebtedness, if the Total Net Leverage Ratio on a Pro Forma Basis as of the end of the most recent Test Period is less than or equal to 3.50:1.00 and no Event of Default shall exist or would result from the making of such payment or distribution;

(iii) payments or other distributions in respect of the purchase, redemption, retirement, acquisition, cancellation or termination of, Restricted Indebtedness, in an aggregate amount not to exceed in any fiscal year the greater of \$25,000,000 and 1.5% of Adjusted EBITDA (as determined at the time any such payment or distribution is made (calculated on a pro forma Basis) as of the last day of the most recently ended Test Period on or prior to the date of determination) (it being understood that the Parent Borrower shall be permitted to

carry forward unused amounts to subsequent fiscal years); provided that at the time of any such payment or other distribution, no Event of Default shall exist or would result therefrom;

(iv) payments or other distributions in respect of the purchase, redemption, retirement, acquisition, cancellation or termination of, Restricted Indebtedness, in an aggregate amount not exceed to the Available Amount; provided that as of the date of any such payment and after giving effect thereto (A) subject to Section 1.03, no Event of Default shall exist or would result therefrom and (B) the Parent Borrower shall be in compliance with the Financial Covenant on a Pro Forma Basis for the most recently ended Test Period; provided, that notwithstanding the foregoing, the absence of an Event of Default under Section 8.01(a) or (b), or, solely with respect to any Borrower, Section 8.01(g) or (h) shall be a condition to the consummation of any such purchase, redemption, retirement, acquisition, cancellation or termination;

(v) payment-in-kind interest with respect to Restricted Indebtedness permitted by this Agreement;

(vi) payments as part of an “applicable high yield discount obligation” catch up payment with respect to Restricted Indebtedness permitted by this Agreement;

(vii) the conversion of any Restricted Indebtedness to Equity Interests (other than Disqualified Equity Interests) or the prepayment of Restricted Indebtedness in an amount not to exceed the amount of Excluded Contributions previously received by the Parent Borrower; and

(viii) payments or other distributions in respect of the purchase, redemption, retirement, acquisition, cancellation or termination of, Restricted Indebtedness, in an aggregate amount not to exceed the greater of \$25,000,000 and 1.5% of Adjusted EBITDA (as determined at the time any such payment or other distribution is made (calculated on a pro forma basis) as of the last day of the most recently ended Test Period on or prior to the date of determination); provided that at the time of any such payment or other distribution, no Event of Default shall exist or would result therefrom.

Notwithstanding the foregoing, the making of any dividend, payment or other distribution or the consummation of any irrevocable redemption within 180 days after the date of declaration of such dividend, payment or other distribution or giving of the redemption notice, as applicable, will not be prohibited if, at the date of declaration or notice such dividend, payment or other distribution or redemption would have complied with the terms of this Agreement.

Section 6.08 Transactions with Affiliates. Each Borrower will not, and will not permit any Restricted Subsidiary to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates involving aggregate payments, for any such transaction or series of related transactions, in excess of \$15,000,000, except:

(a) transactions (i) that are at prices and on terms and conditions, taken as a whole, not materially less favorable to such Borrower or such Restricted Subsidiary than could be obtained on an arm's-length basis from unrelated third parties or, if in the good faith judgment of the Parent Borrower no comparable transaction is available with which to compare such transactions, such transactions are otherwise fair to the Parent Borrower or such Restricted Subsidiary from a financial point of view as determined by the Parent Borrower in good faith or (ii) for which the applicable Borrower has delivered to the Administrative Agent a letter from an independent financial advisor stating that such transaction is fair from a financial point of view;

(b) transactions between or among the Borrowers and Restricted Subsidiaries not involving any other Affiliate;

(c) any Restricted Payment permitted by [Section 6.07](#);

(d) the payment of reasonable and customary fees and expenses, and the provision of customary indemnification to directors, officers, employees, members of management and consultants of the Parent Borrower and the Subsidiaries;

(e) sales or issuances of Equity Interests to Affiliates of the Parent Borrower which are otherwise permitted or not restricted by the Loan Documents;

(f) loans and other transactions by and among such Borrower and/or the Subsidiaries to the extent permitted under this [Article VI](#);

(g) transactions with joint ventures for the purchase or sale of goods and services entered into in the ordinary course of business;

(h) employment and severance arrangements (including options to purchase Equity Interests of the Parent Borrower, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits plans) between such Borrower and any Restricted Subsidiary and their directors, officers, employees, members of management and consultants in the ordinary course of business;

(i) the existence of, and the performance of obligations of such Borrower or any of its Restricted Subsidiaries under the terms of any agreement in existence or contemplated as of the Restatement Effective Date and identified on [Schedule 6.08](#), as these agreements may be amended, restated, amended and restated, supplemented, extended, renewed or otherwise modified from time to time; provided, however, that any future amendment, restatement, amendment and restatement, supplement, extension, renewal or other modification entered into after the Restatement Effective Date will be permitted to the extent that its terms are not more disadvantageous in any material respect, taken as a whole, to the Lenders than the terms of the agreements on the Restatement Effective Date;

(j) any agreement between any Person and an Affiliate of such Person existing at the time such Person is acquired by or merged into such Borrower or its Restricted Subsidiaries pursuant to the terms of this Agreement; provided that such agreement was not entered into in contemplation of such acquisition or merger, or any amendment thereto (so long as any such amendment is not disadvantageous to the Lenders in any material respect in

the good faith judgment of the Parent Borrower when taken as a whole as compared to such agreement as in effect on the date of such acquisition or merger);

(k) payments to or from, and transactions with, joint ventures (to the extent any such joint venture is only an Affiliate as a result of Investments by the Borrowers and the Restricted Subsidiaries in such joint venture), non-wholly owned Subsidiaries and Unrestricted Subsidiaries in the ordinary course of business to the extent otherwise permitted under Section 6.04;

(l) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, or transactions otherwise relating to the purchase or sale of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of this Agreement, which are fair to the Parent Borrower and its Restricted Subsidiaries, in the reasonable determination of the board of directors of the Parent Borrower, or are on terms at least as favorable, in all material respects, as might reasonably have been obtained at such time from an unaffiliated party;

(m) the entering into of any Tax sharing agreement or arrangement to the extent payments under such agreement or arrangement would otherwise be permitted under Section 6.07;

(n) any contribution to the capital of the Parent Borrower or any of its Restricted Subsidiaries;

(o) the formation and maintenance of any consolidated group or subgroup for Tax, accounting or cash pooling or management purposes in the ordinary course of business;

(p) transactions undertaken in good faith (as certified by a Responsible Officer of the Parent Borrower) for the purpose of improving the consolidated Tax efficiency of such Borrower and its Subsidiaries and not for the purpose of circumventing any covenant set forth in this Agreement; and

(q) any other transaction with an Affiliate, which is approved by a majority of disinterested members of the board of directors (or equivalent governing body) of the Parent Borrower in good faith.

Section 6.09 Restrictive Agreements. Each Borrower will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon:

(a) the ability of such Borrower or any of the Loan Parties to create, incur or permit to exist any Lien upon any of its property or assets in favor of the Collateral Agent (or its agent or designee) for the benefit of the Secured Parties securing any of the Obligations, or

(b) the ability of any Restricted Subsidiary to pay dividends or other distributions with respect to any shares of its Equity Interests or to make or repay loans or advances to such Borrower or any other Restricted Subsidiary or to Guarantee the Obligations or any part thereof;

provided that with respect to clauses (a) and (b):

(i) the foregoing shall not apply to restrictions and conditions imposed by law, rule, regulation or order or by any customary or reasonable restrictions and conditions contained in any Loan Document or document governing any Swap Obligations, Deposit Obligations, Refinancing Notes, any Refinancing Loan, any Incremental Equivalent Debt, Permitted Acquisition Debt, any Permitted Ratio Debt, any Permitted Receivables Facility or any Permitted Refinancing Indebtedness in respect thereof;

(ii) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to Dispositions permitted by Section 6.05 pending such Dispositions;

(iii) clause (a) of the foregoing shall not apply to customary provisions in leases, licenses and other contracts restricting the assignment, subletting or other transfer thereof (including the granting of any Lien) or any property or asset subject thereto;

(iv) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by restrictions on cash and other deposits or net worth provisions in leases and other agreements entered into in the ordinary course of business;

(v) the foregoing shall not apply if such restrictions and conditions were binding on a Restricted Subsidiary or its assets at the time such Restricted Subsidiary first becomes a Restricted Subsidiary or such assets were first acquired by such Restricted Subsidiary (other than a Restricted Subsidiary that was a Restricted Subsidiary on the Restatement Effective Date or assets owned by any Restricted Subsidiary on the Restatement Effective Date), so long as such Contractual Obligations were not entered into in contemplation of such Person becoming a Restricted Subsidiary or assets being acquired;

(vi) the foregoing shall not apply to customary provisions in partnership agreements, limited liability company governance documents, joint venture agreements and other similar agreements that restrict the transfer of assets of, or ownership interests in, the relevant partnership, limited liability company, joint venture or similar Person;

(vii) clause (b) of the foregoing shall not apply to provisions in agreements or instruments which prohibit the payment of dividends or the making of other distributions with respect to any class of Equity Interests of a Person other than on a *pro rata* basis;

(viii) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness or the Persons obligated thereon;

(ix) clause (b) of the foregoing shall not apply to restrictions contained in agreements and instruments governing Indebtedness permitted pursuant to Section 6.01 (A) to the extent not materially more restrictive, taken as a whole, to the Parent Borrower and its Subsidiaries than the covenants contained in this Agreement (as reasonably determined by the Parent Borrower) or (B) if such restrictions are not materially more disadvantageous to the Lenders than is customary in comparable financings (as determined in good faith by the Parent Borrower) and either (x) the Parent Borrower determines in good faith that such restrictions will not materially affect the Parent Borrower's ability to create and maintain the Liens on the Collateral required pursuant to the Loan Documents and to make principal or interest payments on the Loans or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant relating to such Indebtedness;

(x) the foregoing shall not apply to customary or reasonable restrictions (as reasonably determined by the Parent Borrower) contained in agreements and instruments relating to any Permitted Ratio Debt or Permitted Acquisition Debt, Incremental Equivalent Debt, Refinancing Notes, any Refinancing Loans, any Indebtedness permitted pursuant to Sections 6.01(i) and (v), and any Permitted Refinancing Indebtedness thereof (and successive Permitted Refinancing Indebtedness thereof);

(xi) clause (a) of the foregoing shall not apply to customary restrictions that arise in connection with any Lien permitted by Section 6.02 on any asset or property that is not, and is not required to be, Collateral that relates to the asset or property subject to such Lien;

(xii) [reserved]; and

(xiii) the foregoing shall not apply to any restrictions and conditions imposed by any amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing of any contract, instrument or obligation referred to in clauses (i) through (xi) above; provided that such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing is, in the good faith judgment of the Parent Borrower, no more restrictive with respect to such restrictions taken as a whole than those in existence prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing.

Section 6.10 Amendment of Material Debt Documents. Each Borrower will not, and will not permit any Restricted Subsidiary to, amend, modify or waive any of its rights under any Junior Indebtedness Document, in any manner materially adverse to the interests of the Lenders taken as a whole that has not been approved by the Administrative Agent; provided that it is understood and agreed that the foregoing limitation shall not prohibit any Permitted Refinancing Indebtedness in respect thereof that is otherwise permitted by Section 6.01.

Section 6.11 Change in Fiscal Year. The Parent Borrower will not change the manner in which either the last day of its fiscal year or the last day of each of the first three (3) fiscal quarters of its fiscal year is calculated, in each case, without the prior written consent of the Administrative Agent.

Section 6.12 Use of Proceeds. No Borrower shall use, directly or to the knowledge of the Parent Borrower, indirectly the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, except to the extent permitted for a Person required to comply with Sanctions, or (iii) in any other manner that would result in the violation of any Sanctions applicable to any party hereto.

ARTICLE VII

FINANCIAL COVENANT

Section 7.01 Leverage Ratio. Solely with respect to the Revolving Facility and Term A Facility, until the Date of Full Satisfaction (solely with respect to the Revolving Facility and the Term A Facility), the Parent Borrower covenants and agrees with Lenders that as of the last day of each fiscal quarter commencing with the first full fiscal quarter following the Restatement Effective Date, the Parent Borrower shall not permit the Total Net Leverage Ratio for any Test Period set forth below to exceed the applicable level set forth below opposite such Test Period under the heading "Total Net Leverage Ratio":

Test Periods Ending	Total Net Leverage Ratio
June 30, 2018	5.50 to 1.00
September 30, 2018	5.50 to 1.00
December 31, 2018	5.50 to 1.00
March 31, 2019	5.25 to 1.00
June 30, 2019	5.25 to 1.00
September 30, 2019	5.25 to 1.00
December 31, 2019	5.25 to 1.00
March 31, 2020	5.25 to 1.00
June 30, 2020	N/A (not tested)
September 30, 2020	N/A (not tested)
December 31, 2020	N/A (not tested)
March 31, 2021	N/A (not tested)
June 30, 2021	5.25 to 1.00
September 30, 2021	5.25 to 1.00
December 31, 2021	5.25 to 1.00
March 31, 2022	5.00 to 1.00
June 30, 2022	4.75 to 1.00
September 30, 2022	4.50 to 1.00
December 31, 2022	4.25 to 1.00
March 31, 2023	4.00 to 1.00
June 30, 2023	4.00 to 1.00

Notwithstanding the foregoing or anything to the contrary in any Loan Document:

- (a) for the four fiscal quarters ended immediately following the closing of a Material Acquisition (including the fiscal quarter in which such Material Acquisition occurs), the applicable Total Net Leverage Ratio level for purposes of this Section 7.01 shall be the lesser of (x) 1.00:1.00 higher than the otherwise applicable level and (y) 5.95:1.00; provided, however, that, immediately after any such four fiscal quarter period, there shall be at least two consecutive fiscal quarters during which the Total Net Leverage Ratio shall be equal to or less than the applicable level set forth above opposite the applicable Test Period (irrespective of whether any other Material Acquisition has been consummated during such period);
- (b) for the avoidance of doubt, compliance with the Financial Covenant shall not be required in the case of any fiscal quarter ending on June 30, 2020, September 30, 2020, December 31, 2020 or March 31, 2021; and
- (c) it shall constitute a Financial Covenant Event of Default in the event that any Specified Event occurs at any time during the Waiver Period.

For purposes of this Section 7.01, the following terms shall have the meanings specified below:

“Available Cash Threshold” means (x) \$350,000,000 or (y) following the receipt by the Parent Borrower or any Restricted Subsidiary of Net Proceeds in respect of any event described in clause (a) or (b) of the definition of the term “Prepayment Event” in an amount equal to or in excess of \$250,000,000 in the aggregate for all such events during the Waiver Period, \$500,000,000.

“Second Amendment” means that certain Amendment No. 2 to Credit Agreement, dated as of April 29, 2020, by and among the Parent Borrower, the Dutch Borrower, the Lenders party thereto (which such Lenders constituted the Required TLA Lenders and the Required Revolving Lenders at such time) and the Administrative Agent.

“Second Amendment Effective Date” means April 29, 2020.

“Specified Event” means, at any time during the Waiver Period, the occurrence of any of the following events, circumstances or conditions, in any such case, except with respect to such events, circumstances and conditions (if any) that the Required TLA Lenders and the Required Revolving Lenders expressly agree (in their sole discretion and in writing from time to time after the Second Amendment Effective Date) shall not constitute a “Specified Event” for purposes of this Section 7.01:

- (a) the Parent Borrower shall allow the sum of (x) unrestricted cash and Cash Equivalents of the Parent Borrower and its Restricted Subsidiaries as determined in accordance with GAAP and (y)(i) the total Revolving Commitments *minus* (ii) the total Revolving Exposure, to be less than the Available Cash Threshold at any time (the “Minimum Liquidity Covenant”);
- (b) the Parent Borrower or any Restricted Subsidiary shall have received any Net Proceeds in respect of any event described in clause (a) or (b) of the definition of the term “Prepayment Event” in excess of \$500,000,000 in the aggregate for all such events that are not applied to prepay Term Borrowings pursuant to Section 2.11(c) of this Agreement (without giving effect to the proviso thereto);
- (c) any Borrower shall, or shall permit any Restricted Subsidiary to, create, incur or assume any Indebtedness that is secured by a Lien on the Collateral pursuant to clause (y) or (dd) of Section 6.01;
- (d) the Parent Borrower shall incur any Incremental Facility pursuant to Section 2.20 of this Agreement;

- (e) any Borrower shall, or shall permit any Restricted Subsidiary to, create, incur or assume any Lien on the Collateral pursuant to clause (p) (other than any security interests created, incurred or assumed to secure (i) Indebtedness permitted by clause (e) of Section 6.01 or (ii) Capital Lease Obligations, mortgage financings or purchase money indebtedness (including any industrial revenue bonds, industrial development bonds and similar financings) permitted by clause (t) of Section 6.01, (w) or (cc) of Section 6.02;
- (f) any Borrower shall, or shall permit any Restricted Subsidiary to, make any Investment pursuant to clause (k), (p), (u), (v), (y) or (bb) of Section 6.04 that involves the acquisition of any Equity Interests in or other securities (including any option, warrant or other right to acquire any of the foregoing) of any other Person, or the purchase or other acquisition (in one transaction or a series of transactions) of any assets of any other Person constituting a business unit or all or substantially all of the assets of a division or branch of any Person;
- (g) any Borrower shall, or shall permit any Restricted Subsidiary to, make any Restricted Payment pursuant to clause (a)(ix), (a)(x), (a)(xi), (a)(xii) or (a)(xiv) of Section 6.07 (x) in cash to any JAB Affiliate or any other direct or indirect holder of any Equity Interests in the Parent Borrower or (y) that would result in the repurchase, retirement or other acquisition or retirement for value by the Parent Borrower or any Restricted Subsidiary of Equity Interests of the Parent Borrower;
- (h) the Parent Borrower shall fail to deliver, within five (5) Business Days of the end of each calendar month, a certificate of a Financial Officer of the Parent Borrower (i) certifying as to whether a Default, which has not previously been disclosed or which has not been cured, has occurred and, if such a Default is continuing, specifying the details thereof and any action taken or proposed to be taken with respect thereto and (ii) setting forth reasonably detailed calculations demonstrating compliance with the Minimum Liquidity Covenant; and/or
- (i) notwithstanding anything in Section 5.02 to the contrary, the Parent Borrower shall, after a Responsible Officer of the Parent Borrower has obtained knowledge thereof, fail to furnish to the Administrative Agent prompt written notice (which in no event shall be later than one (1) Business Day

following the date on which such knowledge is obtained) of a failure to satisfy the Minimum Liquidity Covenant.

“Waiver Period” means the period commencing with the Second Amendment Effective Date and ending on, but not including, April 1, 2021.

ARTICLE VIII

EVENTS OF DEFAULT

Section 8.01 Events of Default; Remedies. If any of the following events (“Events of Default”) shall occur:

(a) any Borrower shall fail to pay any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise; or any Borrower shall fail to pay any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, and such failure with respect to such reimbursement obligations shall continue unremedied for a period of five (5) business days;

(b) any Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Section 8.01) payable under this Agreement or any other Loan Document, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five (5) business days;

(c) any representation, warranty or certification made or deemed made by or on behalf of any Borrower or any Restricted Subsidiary herein or in any Loan Document, or in any report, certificate, financial statement or other document required to be delivered pursuant hereto or thereto, shall prove to have been materially inaccurate when made or deemed made;

(d) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02(a), Section 5.03(a) (with respect to any Borrower), Section 5.12 or in Article VI or in Article VII of this Agreement; provided any default under Section 7.01 (a “Financial Covenant Event of Default”) shall not constitute an Event of Default with respect to any Loans or Commitments hereunder, other than the Revolving Loans, Term A Loans, Revolving Commitments and/or Term A Commitments, until the date on which any Revolving Loans or Term A Loans have been accelerated, and the Revolving Commitments or Term A Commitments have been terminated, in each case, by the Required TLA Lenders or Required Revolving Lenders, as applicable;

(e) any Loan Party shall fail to observe or perform any covenant, condition or agreement contained in any Loan Document (other than those specified in clause (a), (b) or (d) of this Section 8.01), and such failure shall continue unremedied for a period of thirty (30) days after written notice thereof from the Administrative Agent to the Parent Borrower;

(f) any Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary) shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness other than the Obligations, when and as the same shall become due and payable beyond any applicable grace period or any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits, after giving effect to any applicable grace period, the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided, that this clause (f) shall not apply to (i) secured Indebtedness that becomes due as a result of the Disposition (including as a result of a casualty or condemnation event) of the property or assets securing such Indebtedness, (ii) Guarantees of Indebtedness that are satisfied promptly on demand or (iii) with respect to Indebtedness incurred under any Swap Agreement, termination events or equivalent events pursuant to the terms of the relevant Swap Agreement which are not the result of any default thereunder by any Loan Party or any Restricted Subsidiary; provided, further, that such failure is unremedied and is not waived by the holders of such Material Indebtedness prior to any termination of Commitments or acceleration of the Loans pursuant to this Section 8.01;

(g) an involuntary proceeding, corporate action, legal proceeding or other procedure or step shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization, bankruptcy, administration, winding up, deregistration or other relief in respect of any Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary) or its debts, or of a substantial part of its assets, under any Federal, state or other applicable bankruptcy, insolvency, receivership, arrangement or similar law now or hereafter in effect or (ii) a distress, attachment, execution or the appointment of a receiver, trustee, liquidator, custodian, administrative recovery compulsory manager, sequestrator, conservator or similar official for any Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary) or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed, undischarged or unbonded for sixty (60) consecutive days or an order or decree approving or ordering any of the foregoing shall be entered;

(h) any Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary) shall (i) voluntarily commence any proceeding, corporate action, legal proceeding or other procedure or step or file any petition seeking liquidation (other than a solvent liquidation permitted by Section 6.03), reorganization, bankruptcy, administration, winding up, deregistration, suspension of payments or other relief under any Federal, state or other applicable bankruptcy, insolvency, receivership, arrangement or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (g) of this Section 8.01, (iii) apply for or consent to the appointment of a receiver, trustee, liquidator, custodian, administrative recovery compulsory manager, sequestrator, conservator, administrator or similar official for any Borrower or any such Restricted Subsidiary (other than an Immaterial Subsidiary) or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, or (v) make a general assignment for the benefit of creditors;

(i) any Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary) shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(j) one or more judgments for the payment of money in an aggregate amount in excess of the Threshold Amount (to the extent not covered by insurance as to which the insurer has not denied coverage) shall be rendered against any Borrower, any Restricted Subsidiary or any combination thereof (to the extent not paid in full within any applicable period for payment) and there is a period of sixty (60) consecutive days during which a stay of enforcement of such judgment by reason of a pending appeal, payment or otherwise is not in effect;

(k) an ERISA Event shall have occurred if such ERISA Event could reasonably be expected to result in a Material Adverse Effect;

(l) other than with respect to items of Collateral not exceeding \$40,000,000 in the aggregate, any Lien purported to be created under any Security Document shall cease to be, or shall be asserted in writing by any Loan Party not to be, a valid and perfected Lien on any Collateral, except (i) to the extent that perfection or priority is not required pursuant to the Collateral and Guarantee Requirement or the Security Agreement or (ii) in connection with a release of such Collateral in accordance with the terms of this Agreement or (iii) as a result of the Collateral Agent's failure to (A) maintain possession of any stock certificates, promissory notes or other instruments delivered to it under the Security Documents or (B) file Uniform Commercial Code continuation statements or (iv) if such loss of an enforceable or perfected security interest, as applicable, may be remedied by the filing of appropriate documentation without the loss of priority;

(m) any material provision of this Agreement or any other Loan Document shall for any reason cease to be in full force and effect except as expressly permitted hereunder or thereunder, or any Borrower or any other Loan Party shall so state in writing, in each case other than in connection with a release of any Guarantee in accordance with the terms of this Agreement; or

(n) a Change in Control shall occur;

then, and in every such event (other than an event with respect to any Borrower described in clause (g) or (h) of this Section 8.01), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Parent Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans then outstanding so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of any Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by each Borrower; and in case of any event with respect to any Borrower described in clause (g) or (h) of this Section 8.01, the Commitments shall automatically terminate and the principal of the Loans then outstanding,

together with accrued interest thereon and all fees and other obligations of any Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest, notice of intent to accelerate, notice of acceleration or other notice of any kind, all of which are hereby waived by each Borrower. In addition, if any Event of Default shall occur and be continuing, the Administrative Agent may (and if directed by the Required Lenders, shall) foreclose or otherwise enforce any Lien granted to the Administrative Agent, for the benefit of the Secured Parties, to secure payment and performance of the Obligations in accordance with the terms of the Loan Documents and exercise any and all rights and remedies afforded by applicable Law, by any of the Loan Documents, by equity, or otherwise.

Notwithstanding the foregoing, during any period during which solely a Financial Covenant Event of Default has occurred and is continuing, the Administrative Agent may with the consent of, and shall at the request of, the Required TLA Lenders or Required Revolving Lenders take any of the foregoing actions described in the immediately preceding paragraph solely as they relate to the Revolving Lenders or Term A Lenders (versus the Lenders), the Revolving Commitments and Term A Commitments (versus the Commitments), the Revolving Loans, the Swingline Loans and the Term A Loans (versus the Loans), and the Letters of Credit.

Section 8.02 Borrowers' Right to Cure.

(a) Notwithstanding anything to the contrary contained in Section 8.01, if the Parent Borrower determines that an Event of Default under the Financial Covenant has occurred or may occur with respect to any Test Period, during the period commencing after the beginning of the last fiscal quarter included in such Test Period and ending ten (10) Business Days after the date on which financial statements are required to be delivered hereunder with respect to the last fiscal quarter in such Test Period (the last day of such period being the "Anticipated Cure Deadline"), a Specified Equity Contribution may be made to the Parent Borrower (a "Designated Equity Contribution"), and the amount of the Net Proceeds thereof shall be deemed to increase Adjusted EBITDA with respect to such applicable Test Period; provided that such Net Proceeds (i) are actually received by the Parent Borrower as cash common equity (including through capital contribution of such Net Proceeds to the Parent Borrower) during the period commencing after the beginning of the last fiscal quarter included in such Test Period by the Parent Borrower and ending on the Anticipated Cure Deadline and (ii) are Not Otherwise Applied. The parties hereby acknowledge that this Section 8.02(a) may not be relied on for purposes of calculating any financial ratios (including, without limitation, any ratios set forth in the definition of Applicable Rate) other than as set forth in the Financial Covenant and shall not result in any adjustment to any baskets, interest rates or other amounts other than the amount of the Adjusted EBITDA solely for the purpose of calculating the Financial Covenant.

(b) Upon receipt by the Administrative Agent of written notice, on or prior to the Anticipated Cure Deadline, that the Parent Borrower intends to make a Designated Equity Contribution in respect of a fiscal quarter, the Lenders shall not be permitted to accelerate the Loans held by them, exercise remedies against the Collateral or any other rights and remedies under any of the Loan Documents that are available during continuance of an Event of Default on the basis of a failure to comply with the requirements of the Financial Covenant, unless such failure is not cured by a Designated Equity Contribution on or prior to the Anticipated Cure Deadline.

(c) (i) In each Test Period, there shall be at least two (2) fiscal quarters in which no Designated Equity Contribution is made, (ii) no more than five (5) Designated Equity Contributions may be made in the aggregate during the term of this Agreement, (iii) the amount of any Designated Equity Contribution shall be no more than the amount required to cause the Borrowers to be in Pro Forma Compliance with the Financial Covenant for any applicable period and (iv) there shall be no pro forma reduction in Indebtedness (or any cash netting against such Indebtedness) with the proceeds of any Designated Equity Contribution for determining compliance with the Financial Covenant for the fiscal quarter with respect to which such Designated Equity Contribution was made.

ARTICLE IX

THE AGENTS

Section 9.01 Appointment. Each of the Lenders and each Issuing Bank hereby irrevocably appoints (a) JPMorgan Chase Bank, N.A. as agent on its behalf, and on behalf of each of its Affiliates who are owed Obligations (each such Affiliate by acceptance of the benefits of the Loan Documents hereby ratifying such appointment) and authorizes the Administrative Agent to take such actions and perform the duties, obligations and responsibilities on its behalf and on behalf of such Affiliates and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions, powers, authorities and discretions as are reasonably incidental thereto and (b) JPMorgan Chase Bank, N.A., as collateral agent on its behalf, and on behalf of each of its Affiliates who are owed Obligations (each such Affiliate by acceptance of the benefits of the Loan Documents hereby ratifying such appointment) and authorizes the Collateral Agent to take such actions on its behalf and on behalf of such Affiliates and to exercise such powers as are delegated to the Collateral Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto. The Administrative Agent or the Collateral Agent (relying on the Administrative Agent) shall be entitled to request instructions, or clarification of any instruction, from the Lenders as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Administrative Agent or the Collateral Agent may refrain from acting unless and until it receives those instructions or that clarification. The Administrative Agent or the Collateral Agent may refrain from acting in accordance with any instructions by or on behalf of any Lender or group of Lenders until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Loan Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions. In the absence of instructions, the Administrative Agent or the Collateral Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders. The Administrative Agent shall be released from the restrictions of para 181 alt. 2 Bürgerliches Gesetzbuch (German Civil Code).

Section 9.02 Rights as a Lender. Any 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 such Person and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Parent Borrower or any Subsidiary or other Affiliate thereof as if it were not an Agent hereunder.

Section 9.03 Limitation of Duties and Immunities. Neither Agent shall have any duties or obligations except those expressly set forth in the Loan Documents and each Agent's duties are solely mechanical and administrative in nature. Without limiting the generality of the foregoing, (a) no Agent shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) no Agent shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers

expressly contemplated by the Loan Documents that such Agent is required to exercise in writing by or on behalf of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in [Section 10.02](#)), and (c) except as expressly set forth in the Loan Documents, no Agent shall have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Parent Borrower or any of its Subsidiaries that is communicated to or obtained by the Person serving as Agent or any of its Affiliates in any capacity. No Agent shall be liable for any action taken or not taken by it with the consent or at the request by or on behalf of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in [Section 10.02](#)) or in the absence of its own gross negligence or willful misconduct. No Agent shall be deemed to have knowledge of any Default unless and until written notice thereof is given to such Agent by the Parent Borrower or a Lender, and 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 any Loan Document, (ii) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in [Article IV](#) or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to such Agent. No Agent is obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party. No Agent shall be bound to inquire: (1) whether or not any Default has occurred; (2) as to the performance, default or any breach of any party of its obligations under any Loan Document; or (3) whether any event specified in any Loan Document has occurred.

[Section 9.04 Reliance on Third Parties: Limitation on Responsibility](#). Each Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, instruction, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. Each Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. Each Agent may consult with legal counsel (who may be counsel for the Borrowers), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts. Each Agent may act in relation to the Loan Documents through its officers, employees and agents and no Agent shall: be liable for any error of judgment made by any such person; or be bound to supervise, or be in any way responsible for, any loss incurred by reason of misconduct, omission or default on the part, of any such person, unless such error or such loss was directly caused by that Agent's gross negligence or willful misconduct. For the avoidance of doubt, no Agent shall have any (a) liability to investigate title to charged assets or for defective title, (b) liability for the efficacy of the Security Documents, (c) obligation to undertake anything that may be contrary to law or regulation or (d) obligation to risk or expend its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

[Section 9.05 Sub-Agents](#). Each Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by such Agent without any liability to their acts or omissions. Each Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of this [Article IX](#) shall apply to any such sub-agent and to the Related Parties of such 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 an Agent.

Section 9.06 Successor Agent. Subject to the appointment and acceptance of a successor to the applicable Agent as provided in this paragraph, each Agent may resign at any time by notifying the Lenders, the Issuing Banks and the Borrowers. Upon any such resignation, the Required Lenders shall have the right to appoint a successor Administrative Agent and the Administrative Agent shall have the right to appoint a successor Collateral Agent, subject to the consent of the Parent Borrower (which consent shall not be unreasonably withheld or delayed); provided that the Parent Borrower's consent shall not be required if an Event of Default has occurred and is continuing. If no successor shall have been so appointed by the Required Lenders or Administrative Agent, as applicable, and shall have accepted such appointment within thirty (30) days after the retiring Agent gives notice of its resignation, then the retiring Agent may, on behalf of the Lenders and the Issuing Banks, appoint (i) a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank, or (ii) a successor Collateral Agent on terms to be agreed, in each case, subject to the consent of the Parent Borrower (which consent shall not be unreasonably withheld); provided that the Parent Borrower's consent shall not be required if an Event of Default has occurred and is continuing. Notwithstanding the foregoing, in the event no successor Administrative Agent shall have been so appointed and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its intent to resign, the retiring Administrative Agent may give notice of the effectiveness of its resignation to the Lenders and the Borrower, whereupon, on the date of effectiveness of such resignation stated in such notice, (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents, provided that, solely for purposes of maintaining any security interest granted to the Administrative Agent under any Collateral Document for the benefit of the Secured Parties, the retiring Administrative Agent shall continue to be vested with such security interest as collateral agent for the benefit of the Secured Parties and, in the case of any Collateral in the possession of the Administrative Agent, shall continue to hold such Collateral, in each case until such time as a successor Administrative Agent is appointed and accepts such appointment in accordance with this paragraph (it being understood and agreed that the retiring Administrative Agent shall have no duty or obligation to take any farther action under any Collateral Document, including any action required to maintain the perfection of any such security interest), and (b) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; provided that (i) all payments required to be made hereunder or under any other Loan Document to the Administrative Agent for the account of any Person other than the Administrative Agent shall be made directly to such Person and (ii) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall also directly be given or made to each Lender. Upon the acceptance of its appointment as Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the Agent shall be discharged from its duties and obligations hereunder (other than with respect to its obligations under Section 10.12). The fees payable by any Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After any Agent's resignation hereunder, the provisions of this Article IX and Section 10.03 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Agent.

Section 9.07 Independent Credit Decisions. Each Lender acknowledges that it has, independently and without reliance upon any Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon any Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or related agreement or any document furnished hereunder or thereunder.

Section 9.08 Powers and Immunities of each Issuing Bank. Neither any Issuing Bank nor any of its Related Parties shall be liable to any Agent or any Lender for any action taken or omitted to be taken by any of them hereunder or otherwise in connection with any Loan Document except for its or their own gross negligence or willful misconduct. Without limiting the generality of the preceding sentence, each Issuing Bank (a) shall have no duties or responsibilities except those expressly set forth in the Loan Documents, and shall not by reason of any Loan Document be a trustee or fiduciary for any Lender or for any Agent, (b) shall not be required to initiate any litigation or collection proceedings under any Loan Document, (c) shall not be responsible to any Lender or any Agent for any recitals, statements, representations, or warranties contained in any Loan Document, or any certificate or other documentation referred to or provided for in, or received by any of them under, any Loan Document, or for the value, validity, effectiveness, enforceability, or sufficiency of any Loan Document or any other documentation referred to or provided for therein or for any failure by any Person to perform any of its obligations thereunder, (d) may consult with legal counsel (including counsel for the Borrowers), independent public accountants, and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants, or experts, and (e) shall incur no liability under or in respect of any Loan Document by acting upon any notice, consent, certificate, or other instrument or writing believed by it to be genuine and signed or sent by the proper party or parties. As to any matters not expressly provided for by any Loan Document, each Issuing Bank shall in all cases be fully protected in acting, or in refraining from acting, hereunder in accordance with instructions signed by the Required Lenders, and such instructions of the Required Lenders and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders and the Administrative Agent; provided, however, that no Issuing Bank shall be required to take any action which exposes it to personal liability or which is contrary to any Loan Document or applicable Law.

Section 9.09 Permitted Release of Collateral and Subsidiary Loan Parties.

(a) Automatic Release. If any Collateral is the subject of a Disposition (other than to another Loan Party) which is permitted under Section 6.05, the Liens in the Collateral granted under the Loan Documents shall automatically terminate and the Collateral will be disposed of free and clear of all such Liens.

(b) Written Release. The Collateral Agent (upon instruction by the Administrative Agent) is irrevocably authorized to release of record, and shall release of record, any Liens encumbering any Collateral that is the subject of a Disposition described in clause (a) above upon an authorized officer of the Parent Borrower certifying in writing to the Administrative Agent and the Collateral Agent that the proposed Disposition of Collateral is permitted under Section 6.05. To the extent the Collateral Agent is required to execute any release documents in accordance with the immediately preceding sentence, the Collateral Agent shall do so promptly upon request of the Parent Borrower and the Administrative Agent (at the cost of the Parent Borrower) without the consent or further agreement of any Secured Party. If the Disposition of Collateral is not permitted under or pursuant to the Loan

Documents, the Liens encumbering the Collateral may only be released in accordance with the other provisions of this Section 9.09 or the provisions of Section 10.02.

(c) Authorized Release upon Date of Full Satisfaction. The Collateral Agent (upon instruction by the Administrative Agent) is irrevocably authorized by the Secured Parties, without any consent or further agreement of any Secured Party to release the Collateral Agent's Liens upon the Date of Full Satisfaction.

(d) Authorized Release of Subsidiary Loan Party. If the Administrative Agent and the Collateral Agent shall have received a certificate of a Responsible Officer of the Parent Borrower requesting the release of a Subsidiary Loan Party, certifying that the Collateral Agent is authorized to release such Subsidiary Loan Party because either: (1) the Equity Interest issued by such Subsidiary Loan Party or the assets of such Subsidiary Loan Party have been disposed of to a non-Loan Party in a transaction permitted by Section 6.05 (or with the consent of the Required Lenders pursuant to Section 10.02(b)) or (2) such Subsidiary Loan Party has been designated as an Unrestricted Subsidiary or has become an Excluded Subsidiary; provided that no such release shall occur if such Subsidiary Loan Party continues to be a guarantor in respect of any Permitted Ratio Debt or Permitted Acquisition Debt, Incremental Equivalent Debt, Refinancing Notes or any Refinancing Loans of any Loan Party or any Permitted Refinancing Indebtedness of any of the foregoing; then the Collateral Agent (upon instruction by the Administrative Agent) is irrevocably authorized by the Secured Parties, without any consent or further agreement of any Secured Party to release the Liens granted to the Collateral Agent to secure the Obligations in the assets of such Subsidiary Loan Party and release such Subsidiary Loan Party from all obligations under the Loan Documents. To the extent the Collateral Agent is required to execute any release documents in accordance with the immediately preceding sentence, the Collateral Agent shall do so promptly upon request of the Administrative Agent and the Parent Borrower without the consent or further agreement of any Secured Party.

(e) Lien Subordination. The Collateral Agent is irrevocably authorized to subordinate any Lien on any property granted to or held by the Collateral Agent under any Loan Document to the holder of any Lien on such property that is permitted by Sections 6.02(a) (other than Liens created under or contemplated by the Loan Documents), (d), (e), (i), (k), (m), (o), (p), (r), (s), (t), (u), (x), (aa), (bb), (dd), (ee), (ff), (gg), (hh) and (jj);

(f) Collateral Release Period. Immediately upon the commencement of any Collateral Release Period and without further action of any Person, the security interests of the Collateral Agent and the other Secured Parties in the Collateral shall be terminated and released; provided that the Guarantee of each Loan Party of the Obligations pursuant to the Loan Documents shall remain in effect during any such Collateral Release Period. During any Collateral Release Period, the Administrative Agent and the Collateral Agent shall execute and deliver, at the Parent Borrower's expense, all documents or other instruments that the Parent Borrower shall reasonably request to evidence the termination and release of such security interests and shall return all Collateral in their possession to the Parent Borrower. During any Collateral Release Period, the Parent Borrower shall not be required to comply with the Security Documents or the terms of Sections 5.10 or 5.15, in each case to the extent such terms require the creation and perfection of security interests or Liens on Collateral (it being understood that the Parent Borrower shall continue to be required to comply with the terms of Section 5.10 that require the provision of Guarantees by Loan Parties in respect of the Obligations).

(g) Upon the termination of any Collateral Release Period, the security interests of the Collateral Agent and the Secured Parties in the Collateral shall, without any

further action on the part of the Administrative Agent, the Collateral Agent, the Secured Parties or any Loan Party, be reinstated and the provisions of the immediately preceding paragraph shall no longer apply (until the commencement of a subsequent Collateral Release Period). Promptly following the termination of any Collateral Release Period, the Loan Parties shall execute any and all documents, financing statements, agreements and instruments, and take all such actions (including the filing and recording of financing statements and other documents) that may be required under applicable Law or that the Administrative Agent or Collateral Agent shall reasonably request, to reinstate such security interests and to cause the Collateral and Guarantee Requirement to be satisfied (all at the expense of the Loan Parties), including with respect to any Subsidiaries or assets that would have been subjected to the Collateral and Guarantee Requirement under Section 5.10 had such terminated Collateral Release Period not been in effect; provided that all such actions shall be completed no later than sixty (60) days after the date of termination of such Collateral Release Period (or such later date as the Administrative Agent shall deem appropriate).

(h) Each Agent is authorized to enter into any intercreditor arrangements, including any Market Intercreditor Agreements required hereunder, in each case, with respect to Indebtedness, that is secured by Liens and which Indebtedness contemplates an intercreditor, subordination or collateral trust agreement (any such intercreditor, subordination or collateral trust agreement, an "Additional Agreement"), and the parties hereto acknowledge that any Additional Agreement is binding upon them. Each Lender and Issuing Bank (a) hereby agrees that it will be bound by, and will not take any action contrary to, the provisions of any Additional Agreement and (b) hereby authorizes and instructs the Agents to enter into any Additional Agreement and to subject the Liens on the Collateral securing the Obligations to the provisions thereof. The foregoing provisions are intended as an inducement to the Secured Parties to extend credit to the Borrowers, and the Secured Parties are intended third-party beneficiaries of such provisions and the provisions of any Additional Agreement.

Section 9.10 Perfection by Possession and Control. The Collateral Agent hereby appoints each of the other Lenders to serve as bailee to perfect the Collateral Agent's Liens in any Collateral (other than deposit, securities or commodity accounts) in the possession of any such other Lender and each Lender possessing any such Collateral agrees to so act as bailee for the Collateral Agent in accordance with the terms and provisions hereof.

Section 9.11 Lender Affiliates Rights. By accepting the benefits of the Loan Documents, any Affiliate of a Lender that is owed any Obligation is bound by the terms of the Loan Documents. But notwithstanding the foregoing: (a) neither any Agent, any Lender nor any Loan Party shall be obligated to deliver any notice or communication required to be delivered to any Lender under any Loan Documents to any Affiliate of any Lender; and (b) no Affiliate of any Lender that is owed any Obligation shall be included in the determination of the Required Lenders or entitled to consent to, reject, or participate in any manner in any amendment, waiver or other modification of any Loan Document. The Agents shall not have any liabilities, obligations or responsibilities of any kind whatsoever to any Affiliate of any Lender who is owed any Obligation. The Agents shall deal solely and directly with the related Lender of any such Affiliate in connection with all matters relating to the Loan Documents. The Obligation owed to such Affiliate shall be considered the Obligation of its related Lender for all purposes under the Loan Documents and such Lender shall be solely responsible to the other parties hereto for all the obligations of such Affiliate under any Loan Document.

Section 9.12 Actions in Concert and Enforcement by the Collateral Agent. Notwithstanding anything contained in any of the Loan Documents, each Borrower, each Agent and each Lender hereby agree that (A) no Lender shall have any right individually to realize upon any of the Collateral under any Security Documents or to enforce the guarantee set forth in the Guaranty, it being understood and agreed that all powers, rights and remedies under the Guaranty and the other Security Documents may be exercised solely by the Collateral Agent (at the direction of the Administrative Agent) for the benefit of the Secured Parties in accordance with the terms thereof and (B) in the event of a foreclosure by the Collateral Agent on any of the Collateral pursuant to a public or private sale, the Collateral Agent or any Lender may be the purchaser of any or all of such Collateral at any such sale and the Collateral Agent, as agent for and representative of the Lenders (but not any Lender or Lenders in its or their respective individual capacities unless the Required Lenders shall otherwise agree in writing), shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold in any such public sale, to use and apply any of the Obligations as a credit on account of the purchase price for any Collateral payable by the Collateral Agent at such sale.

Section 9.13 Other Agents: Arrangers and Managers. None of the Lenders, the Agents, the Lead Arrangers or other Persons identified on the facing page or signature pages of this Agreement as a "documentation agent", "syndication agent" or "co-arranger" shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of the Lenders or other Persons so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

Section 9.14 Certain ERISA Matters. (a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this

Agreement, and the conditions for exemptive relief thereunder are and will continue to be satisfied in connection therewith,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and each Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that:

(i) none of the Administrative Agent, or any Arranger or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related to hereto or thereto),

(ii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21, as amended from time to time) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least \$50 million, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E),

(iii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the obligations),

(iv) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the

Loans, the Letters of Credit, the Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Letters of Credit, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

(v) no fee or other compensation is being paid directly to the Administrative Agent, or any Arranger or any their respective Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Letters of Credit, the Commitments or this Agreement.

(c) The Administrative Agent, and each Arranger hereby informs the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

ARTICLE X

MISCELLANEOUS

Section 10.1 Notices. Except in the case of notices and other communications expressly permitted to be given by telephone or other means, all notices and other communications provided for herein shall be in writing and (to the extent permitted by the applicable notice provision) shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by email, as follows:

(a) if to the Parent Borrower or any other Loan Party, to it at COTY INC., 350 Fifth Avenue, New York, NY 10118, Attention: Patrice de Talhouët, Fax: +1 212 389 7538, Email: patrice_detalhouet@cotyinc.com, with a copy to COTY INC., 350 Fifth Avenue, New York, NY 10118, Attention Jules Kaufman, Fax: +1 212 479 4328, Email: jules_kaufman@cotyinc.com and with a copy to Skadden, Arps, Slate, Meagher & Flom LLP, 4 Times Square, New York, New York 10036-6522, Attention: Steven Messina, Fax: +1 917 777 3509, Email: steven.messina@skadden.com.

(b) if to the Administrative Agent:

(i) For all notices, to JPMorgan Chase Bank, N.A., 500 Stanton Christiana Road, Floor 01, Newark, Delaware 19713-2105, Attention: Marc-Jonathan Seya,

Fax: 302-634-1982, Email: marc-jonathan.seya@chase.com, with a copy to Sue Coplin, Fax: 302-634-8459; Email: Sue.a.coplin@jpmorgan.com

(ii) For notices with respect to the Multicurrency Revolving Loans, J.P. Morgan Europe Limited 25 Bank Street, Canary Wharf, London, E14 5JP United Kingdom, Attention: Loans Agency, Fax: + 44 (0) 207 777 2360, Email: loan_and_agency_london@jpmorgan.com, Attention: Hannah Langley, Fax: + 44 (0) 207 777 2360; Email: hannah.j.langley@jpmorgan.com.

(c) if to the Collateral Agent, to JPMorgan Chase & Co., IB Collateral Services, 4 Chase Metrotech Center, Brooklyn, NY, 11245-0001, Mailcode: NY1-C413, Email: ib.collateral.services@jpmchase.com, provided that such notice or communication will only be effective upon written confirmation of receipt by the Collateral Agent and for the avoidance of doubt, an automatically generated “received” or “read” receipt will not constitute written confirmation; with a copy to the Administrative Agent.

(d) if to any other Lender, to it at its address (or fax number or email) set forth in its Administrative Questionnaire.

Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. Each of the Administrative Agent or each Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by encrypted or unencrypted electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Any party hereto may change its address for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

Each Loan Party understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution, except to the extent caused by the gross negligence, bad faith or willful misconduct of, or a material breach of any obligations under the Loan Documents by, any agent hereunder, as determined by a final, non-appealable judgment of a court of competent jurisdiction. The Platform and any Approved Electronic Communications are provided “as is” and “as available” and none of the agents party hereto nor any of their Related Parties warrant the accuracy, adequacy, or completeness of the Approved Electronic Communications or the Platform and each expressly disclaims liability for errors or omissions in the Platform and the Approved Electronic Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects is made by the agents party hereto nor any of their Related Parties in connection with the Platform or the Approved Electronic Communications.

Section 10.02 Waivers; Amendments.

(a) No Waiver; Rights Cumulative. No failure or delay by the Administrative Agent, any Issuing Bank or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by clause (b) of this Section 10.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Amendments. Subject to Section 2.14, neither this Agreement nor any other Loan Document nor any provision hereof or thereof may be waived, amended or modified except (i) pursuant to an (A) Incremental Assumption Agreement executed in accordance with the terms and conditions of Section 2.20, (B) a Refinancing Amendment executed in accordance with the terms and conditions of Section 2.22 and (C) an Extension Amendment executed in accordance with the terms and conditions of Section 2.24, and (ii) in the case of this Agreement and any circumstance other than as described in clause (i) and in the first proviso below, pursuant to an agreement or agreements in writing entered into by the Borrowers and the Required Lenders (or by the Administrative Agent with the consent of the Required Lenders) or, in the case of any other Loan Document, pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Loan Party or Loan Parties that are parties thereto in each case with the consent of the Required Lenders; provided that no such agreement shall, (A) without the written consent of each Lender directly and adversely affected thereby (but not, for the avoidance of doubt, the consent of the Required Lenders) (1) increase the Commitment of any Lender (it being understood that a waiver of any condition precedent in Section 4.01 or Section 4.02 or the waiver of any Default, Event of Default, mandatory prepayment or mandatory reduction of the Commitments shall not be an increase of a Commitment of any Lender), (2) reduce the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon (other than interest accruing pursuant to Section 2.13(d) or a waiver thereof), extend the scheduled date of any interim amortization of any Loan or reduce any fees payable hereunder (other than with respect to any Extension Amendment) (it being understood that any change in the definitions of any ratio used in the calculation of any rate of interest or fees (or the component definitions thereof) shall not constitute a reduction in any rate of interest or fees), (3) postpone the scheduled date of payment of any interest on any Loan or LC Disbursement (other than interest accruing pursuant to Section 2.13(d) or a waiver thereof), or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, (it being

understood that any change in the definitions of any ratio used in the calculation of any rate of interest or fees (or the component definitions thereof) shall not constitute a reduction in any rate of interest or fees) (4) postpone the final scheduled date of payment of the principal amount of any Loan or LC Disbursement or (5) postpone the scheduled date of expiration of any Commitment (it being understood that a waiver of any condition precedent in Section 4.01 or Section 4.02 or the waiver of any Default or Event of Default, mandatory prepayment or mandatory reduction of the Commitments shall not be an extension of a Commitment of any Lender), (B) change the currency in which any Loan or Commitment of any Lender is denominated without the written consent of such Lender (but not, for the avoidance of doubt, the consent of the Required Lenders) (it being understood that designation of additional Alternative Currencies in accordance with the definition thereof shall not constitute a change in currency for purposes of this clause (B)), (C) without the written consent of each Lender (but not, for the avoidance of doubt, the consent of the Required Lenders) (1) change any of the provisions of this Section or the definition of “Required Lenders”, “Required Revolving Lenders”, “Required TLA Lenders” or “Required TLB Lenders” (or for the avoidance of doubt any provision that requires the consent of all Lenders or all directly affected Lenders), (2) release all or substantially all of the value of the Guarantees of the Obligations by the Subsidiary Loan Parties, (3) release all or substantially all of the Collateral from the Liens of the Security Documents (it being understood that (A) the determination that any assets acquired after the Restatement Effective Date shall not constitute Collateral and (B) the Collateral Release Period, in each case, shall not be deemed a release of Collateral), (4) change Section 2.18(b), (e) or (f) in a manner that would alter the *pro rata* sharing of payments required thereby (except that modifications to such *pro rata* sharing provisions in connection with (x) loan buy back or similar programs, (y) “amend and extend” transactions or (z) adding one or more tranches of Loans (which may but are not required to be new money tranches of Loans), which, in each case, shall only require the written consent of each Lender participating in such transaction) and (D) except in transactions permitted by Section 6.03, permit assignment of rights and obligations of the Borrowers hereunder, without the written consent of each Lender directly and adversely affected thereby (but not, for the avoidance of doubt, the consent of the Required Lenders; provided, further that (1) no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, Collateral Agent, the Issuing Banks or the Swingline Lender without the prior written consent of the Administrative Agent, Collateral Agent, the Issuing Banks or the Swingline Lender, as the case may be, and (2) notwithstanding the terms of clause (ii) above, (x) any waiver or modification of a condition to an extension of credit under the Revolving Facility or any Incremental Facility and (y) any waiver, amendment or modification of this Agreement that by its terms affects the rights or duties under this Agreement of Lenders holding Loans or Commitments of a particular Class may be effected by an agreement or agreements in writing entered into by the Borrowers and requisite percentage in interest of the affected Class (or Classes) of Lenders (and without the consent of the Required Lenders), that would be required to consent thereto if such Class were the only Class hereunder at the time or (5) except as provided in the definitions of “Applicable Credit Rating” and “Collateral Release Period”, amend or modify the provisions of Section 9.09(e).

Notwithstanding the foregoing, only the consent of (i) the Required TLA Lenders and Required Revolving Lenders shall be required to (and only the Required TLA Lenders and Required Revolving Lenders shall have the ability to) waive, amend, supplement or modify the covenant set forth in Section 7.01 (including any defined terms as they relate thereto) and (ii) the Parent Borrower and the Administrative Agent shall be required to amend or otherwise modify the definition of Prime Rate.

Notwithstanding anything in this Agreement (including, without limitation, this Section 10.02(b)) or any other Loan Document to the contrary, (i) this Agreement and the other Loan Documents may be amended to effect an incremental facility, refinancing facility or extension facility pursuant to Section 2.20, 2.22 or 2.24 (and the Administrative Agent and the Borrowers may effect such amendments to this Agreement and the other Loan Documents without the consent of any other party as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Parent Borrower, to effect the terms of any such incremental facility or refinancing facility); (ii) no Lender consent is required to effect any amendment or supplement to any Additional Agreement that is for the purpose of adding the holders of any Indebtedness as expressly contemplated by the terms of the such Additional Agreement (it being understood that any such amendment or supplement may make such other changes to such Additional Agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing and provided that such other changes are not adverse, in any material respect, to the interests of the Lenders); provided, further, that no such agreement shall amend, modify or otherwise affect the rights or duties of any Agent hereunder or under any other Loan Document without the prior written consent of such Agent; (iii) any provision of this Agreement or any other Loan Document may be amended by an agreement in writing entered into by the Borrowers and the Administrative Agent to cure any ambiguity, omission, mistake, defect or inconsistency and such amendment shall be deemed approved by the Lenders if the Lenders shall have received at least five (5) Business Days' prior written notice of such change and the Administrative Agent shall not have received, within five (5) Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment; and (iv) guarantees, collateral documents and related documents executed by Loan Parties in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be, together with any other Loan Document, entered into, amended, supplemented or waived, without the consent of any other person, by the applicable Loan Party or Loan Parties and the Administrative Agent in its sole discretion, to (A) effect the granting, perfection, protection, expansion or enhancement of any security interest in any Collateral or additional property to become Collateral for the benefit of the Secured Parties, (B) as required by local law to give effect to, or protect any security interest for the benefit of the Secured Parties, in any property or so that the security interests therein comply with applicable requirements of law, or (C) to cure ambiguities, omissions, mistakes or defects or to cause such guarantee, collateral security document or other document to be consistent with this Agreement and the other Loan Documents.

Notwithstanding anything to the contrary herein, at any time and from time to time, upon notice to the Administrative Agent (who shall promptly notify the applicable Lenders) specifying in reasonable detail the proposed terms thereof, the Borrowers may make one or more loan

modification offers to all the Lenders of any Class of Loans and/or Commitments that would, if and to the extent accepted by any such Lender, (a) change the All-In-Yield with respect to the Loans and Commitments under such Class (in each case solely with respect to the Loans and Commitments of accepting Lenders in respect of which an acceptance is delivered) and (b) treat the Loans and Commitments so modified as a new “facility” and a new “Class” for all purposes under this Agreement (a “Loan Modification”); provided that (i) such loan modification offer is made to each Lender under the applicable Class of Loans and/or Commitments on the same terms and subject to the same procedures as are applicable to all other Lenders under such Class of Loans and/or Commitments (which procedures in any case shall be reasonably satisfactory to the Administrative Agent), (ii) no Loan Modification shall affect the rights or duties of, or any fees or other amounts payable to, the Administrative Agent or any Issuing Bank, without its prior written consent, (iii) no Loan Modification is secured by assets other than the Collateral and (iv) no Loan Modification will be guaranteed by Subsidiaries other than the Subsidiary Loan Parties.

In connection with any such Loan Modification, the Borrowers and each accepting Lender shall execute and deliver to the Administrative Agent such agreements and other documentation as the Administrative Agent shall reasonably specify to evidence the acceptance of the applicable loan modification offer and the terms and conditions thereof, and this Agreement and the other Loan Documents shall be amended in a writing (which may be executed and delivered by the Borrowers and the Administrative Agent and shall be effective only with respect to the applicable Loans and Commitments of Lenders that shall have accepted the relevant loan modification offer (and only with respect to Loans and Commitments as to which any such Lender has accepted the loan modification offer)) to the extent necessary or appropriate, in the judgment of the Administrative Agent, to reflect the existence of, and to give effect to the terms and conditions of, the applicable Loan Modification (including the addition of such modified Loans and/or Commitments as a “facility” or a “Class” hereunder). No Lender shall have any obligation whatsoever to accept any loan modification offer, and may reject any such offer in its sole discretion. On the effective date of any Loan Modification applicable to the Revolving Facility, the Borrowers shall prepay any Revolving Loans or LC Exposure outstanding on such effective date (and pay any additional amounts required pursuant to Section 2.16) to the extent necessary to keep the outstanding Revolving Loans or LC Exposure, as the case may be, ratable with any revised pro rata share of a Revolving Lender in respect of the Revolving Facility arising from any nonratable Loan Modification to the Revolving Commitments under this Section. Notwithstanding the foregoing, no Loan Modification referred to above shall become effective unless the Administrative Agent, to the extent reasonably requested by the Administrative Agent, shall have received legal opinions, board resolutions, officers’ certificates and/or reaffirmation agreements consistent in all material respects with those delivered on the Restatement Effective Date under Section 4.01 (other than changes to such legal opinions resulting from a change in Law, change in fact or change to counsel’s form of opinion reasonably satisfactory to the Administrative Agent). The Lenders hereby authorize the Administrative Agent to enter into amendments to this Agreement and the other Loan Documents with the Borrowers as may be necessary in order to establish any Loan Modification and to make such technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrowers in connection with the establishment of

such loan modification offer, in each case on terms consistent with and/or to effect the provisions hereof relating to Loan Modifications.

Section 10.03 Expenses; Indemnity; Damage Waiver.

(a) Expenses. Each Borrower shall pay, within thirty (30) days of a written demand therefor (together with reasonable backup documentation supporting such reimbursement request), (i) all reasonable and documented out-of-pocket expenses incurred by each Agent and its respective Affiliates, including the reasonable and documented out-of-pocket fees, charges and disbursements of counsel (limited to one primary counsel for the Agents and the Lenders, taken as a whole, and, if necessary, one additional counsel in each relevant material jurisdiction and one specialty counsel), in connection with the syndication of the credit facilities provided for herein, the preparation, execution, delivery and administration of the Loan Documents or any amendments, modifications or waivers of the provisions thereof, in connection with the enforcement or protection of its rights in connection with the Loan Documents, including its rights under this Section 10.03, or in connection with the Loans made or Letters of Credit issued hereunder, including all such reasonable and documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit; (ii) all reasonable and documented out-of-pocket expenses incurred by any Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable and documented out-of-pocket expenses incurred by any Agent, any Issuing Bank or any Lender, including the reasonable and documented out-of-pocket fees, charges and disbursements of counsel (limited to one counsel to the Agents and the Lenders, taken as a whole, and, if necessary, one additional counsel in each jurisdiction in which any Collateral is located or any proceedings are held and one specialty counsel and, in the case of an actual or perceived conflict of interest, one additional counsel to each group of similarly situated Persons), in connection with the enforcement or protection of its rights in connection with the Loan Documents, including its rights under this Section 10.03, or in connection with the Loans made or Letters of Credit issued hereunder. Notwithstanding the foregoing, any fees payable in respect of the Restatement Effective Date, including legal fees and expenses, shall be due and payable as specified in Section 4.01.

(b) Indemnity. Each Borrower shall indemnify the Arrangers, the Administrative Agent, the Collateral Agent, each Issuing Bank and each Lender, and each Affiliate, controlling Person, officers, director, employee, partner, trustee, advisor, shareholder, agent and other representative (each such person being called an "Indemnitee") and their successors and permitted assigns of any of the foregoing persons against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related reasonable documented out-of-pocket expenses, including the reasonable and documented out-of-pocket fees, charges and disbursements of any counsel for any Indemnitee (limited to one counsel to the Indemnitees, taken as a whole, and, if reasonably necessary, one additional counsel in each jurisdiction in which any collateral is located or any proceedings are held and one specialty counsel, if applicable, and, in the case of an actual or perceived conflict of interest, one additional counsel to the each group of similarly situated Indemnitees, taken as a whole), incurred by or asserted against any Indemnitee arising out of, in connection with, or

as a result of (i) the syndication of the Commitments or the Loans, the execution or delivery of any Loan Document or any other agreement or instrument contemplated hereby, the performance by the parties to the Loan Documents of their respective obligations thereunder or the consummation of any acquisition permitted hereby or any other transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by any issuing bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such letter of credit), (iii) any actual or alleged presence or release of Hazardous Materials on, under, in, at or from any property currently or formerly owned or operated by the Parent Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Parent Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses resulted from (i) the gross negligence, bad faith or willful misconduct of such Indemnitee or any Related Party of such Indemnitee, (ii) a material breach of the obligations of such Indemnitee or any Related Party of such Indemnitee under the Loan Documents (in the case of the preceding clauses (i) and (ii), as determined by a final, non-appealable judgment of a court of competent jurisdiction) or (iii) any dispute solely among the Indemnitees (other than an Arranger or Agent acting in their capacity as such) and to the extent (A) not arising out of any act or omission of the Parent Borrower, its Subsidiaries or any of their Affiliates or (B) related to the presence or release of Hazardous Materials or violations of Environmental Laws that first occurs at a real property previously owned or leased by the Parent Borrower or its Subsidiaries or any of their Affiliates after such property is transferred to an Indemnitee or its successors or assigns by way of a foreclosure, deed-in-lieu of foreclosure or similar transfer. Notwithstanding the foregoing, each Indemnitee shall be obligated to refund and return any and all amounts paid by any Borrower under this paragraph to such Indemnitee for any such fees, expenses or damages to the extent such Indemnitee is not entitled to payment of such amount in accordance with the terms hereof. Each Indemnitee shall promptly notify the Parent Borrower upon receipt of written notice of any claim or threat to institute a claim; provided that any failure by any Indemnitee to give such notice shall not relieve the loan parties from the obligation to indemnify such Indemnitee. This Section 10.03(b) and Section 10.03(a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims or damages from any non-Tax claim.

(c) Lender's Agreement to Pay. To the extent that any Borrower fails to pay any amount required to be paid by it to the Administrative Agent, the Collateral Agent, the applicable Issuing Bank or the Swingline Lender under clause (a) or (b) of this Section 10.03, each Lender severally agrees to pay to the Administrative Agent, the Collateral Agent, the applicable Issuing Bank or the Swingline Lender, as the case may be, such Lender's *pro rata* share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; 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, the Collateral Agent, the applicable Issuing Bank or the Swingline Lender in its capacity as such. For purposes hereof, a

Lender's "pro rata share" shall be determined based upon its share of the sum of the total Revolving Exposures, outstanding Term Loans and unused Commitments at the time.

(d) Waiver of Damages. To the extent permitted by applicable Law, none of parties hereto (nor any Indemnitee) shall assert, and each hereby waives, any claim against any Loan Party or Indemnitee, as applicable, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, any Loan Document or any agreement or instrument contemplated hereby, any Loan or Letter of Credit or the use of the proceeds thereof, provided, that nothing contained in this sentence shall limit the Loan Parties' indemnification obligations to the extent such special, indirect, consequential and punitive damages are included in any third party claim in connection with which any Indemnitee is entitled to indemnification hereunder.

(e) Payment. Unless otherwise specified, all amounts due under this Section 10.03 shall be payable not later than thirty (30) days after written demand therefor.

Section 10.4 Successors and Assigns.

(a) Successors and Assigns. 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 (including any Affiliate of any Issuing Bank that issues any Letter of Credit), except that (i) the Borrowers may not assign or otherwise transfer any of their rights or obligations hereunder without the prior written consent of each Lender except as otherwise permitted under Section 6.03 (and any attempted assignment or transfer by any 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 10.04. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit and any Secured Party related to any Lender), Participants (to the extent provided in clause (c) of this Section 10.04) and, to the extent expressly contemplated hereby, the Secured Parties and other Related Parties of each of the Administrative Agent, the Issuing Banks and the Lenders), any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignment.

(i) Subject to the conditions set forth in clause (ii) below, any Lender may assign to one or more assignees (except to the Parent Borrower, any Subsidiary or a Disqualified Institution all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld, delayed or conditioned) of:

- (1) the Parent Borrower; provided that no consent of the Parent Borrower shall be required for (1) an assignment of (x) any Revolving

Commitment to an assignee that is a Lender or an Affiliate of a Lender with a Revolving Commitment immediately prior to giving effect to such assignment or (y) all or any portion of a Term Loan to a Term Lender, an Affiliate of a Term Lender or an Approved Fund of a Term Lender or (2) if an Event of Default under Sections 8.01(a), (b), (g) or (h) exists, an assignment to any other assignee; and provided, further, that the Parent Borrower shall be deemed to have consented to any such assignment of Term Loans unless the Parent Borrower shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof;

(2) the Administrative Agent; provided that no consent of the Administrative Agent shall be required for an assignment of all or any portion of a Term Loan to a Lender, an Affiliate of a Lender or an Approved Fund; and

(3) to the extent the assignment relates to the Revolving Facility, any Issuing Bank.

(ii) Assignments shall be subject to the following additional conditions:

(1) 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 Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than (1) \$1,000,000 in the case of the Term Facility and (2) \$5,000,000 in the case of the Revolving Facility unless each of the Parent Borrower and the Administrative Agent otherwise consent (such consent not to be unreasonably withheld, delayed or conditioned);

(2) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement; provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of any Class of Commitments or Loans;

(3) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500 (which fee may be waived or reduced in the sole discretion of the Administrative Agent);

(4) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-

level information (which may contain material non-public information about the Loan Parties and their related parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable Laws, including federal and state securities laws; and

(5) (A) that until the interpretation of the term "public" (as referred to in Article 4.1(1) of the Capital Requirements Regulation (EU 575/2013)) has been published by the competent authority, the value of the rights assigned or transferred in accordance with this Section 10.04 is at least €100,000 (or its equivalent in another currency) or (B) as soon as the interpretation of the term "public" has been published by the competent authority, the assignee or transferee is not considered to be part of the public on the basis of such interpretation.

(iii) The Parent Borrower shall be entitled to seek specific performance to unwind any such assignment in addition to any other remedies available to the Parent Borrower at law or at equity in respect of any assignment by a Lender without the Parent Borrower's consent to any Disqualified Institution or, to the extent the Parent Borrower's consent is required under the terms hereof (and not obtained). The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

(iv) Subject to acceptance and recording thereof pursuant to clause (b)(v) of this Section 10.04, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations (including providing forms pursuant to Section 2.17(f)) of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption 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 Sections 2.15, 2.16, 2.17 and 10.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.04 shall 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 10.04.

(v) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and

stated interest) of the Loans and LC Disbursements 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 Borrowers, the Administrative Agent, the Issuing Banks and the Lenders shall treat each Person that 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 any Borrower, any Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice (it being understood that no Lender shall be entitled to view any information in the Register except such information contained therein with respect to the Class and amount of Obligations owing to such Lender).

(vi) Upon its receipt of a duly completed Assignment and Assumption 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 clause (b) of this Section 10.04 and any written consent to such assignment required by clause (b) of this Section 10.04, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Sections 2.04(c), 2.05(d) or (e), 2.06(b), 2.18(c) or (d) or 10.03(e), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this clause (vi).

(c) Participations.

(i) Any Lender may, without the consent of any other Person, sell participations to one or more banks or other entities (except the Parent Borrower, any Subsidiary or a Disqualified Institution (to the extent a list of Disqualified Institutions has been provided to each Lender)) (a “Participant”) in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of its Commitment 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 and (C) the Borrowers, the Administrative Agent, the Collateral Agent, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. Any agreement or instrument 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 or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 10.02(b) that affects such Participant. Subject to clause (e)(ii) of this Section 10.04, each Borrower agrees

that each Participant shall be entitled to the benefits of, and subject to the limitations of, Sections 2.15, 2.16 and 2.17 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 10.04. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.18(c) as though it were a Lender. The Parent Borrower shall be entitled to seek specific performance to unwind any such assignment or participation in addition to any other remedies available to the Parent Borrower at law or at equity in respect of any participation by a Lender without the Parent Borrower's consent to any Disqualified Institutions or, to the extent the Parent Borrower's consent is required under the terms hereof (and not obtained).

(ii) Each Lender that sells a participation, acting solely for this purpose as a non-fiduciary agent of the Borrowers solely for United States federal tax purposes, shall 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 this Agreement (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 this Agreement or any other Loan Document) except to the extent that such disclosure is necessary 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. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender, each Loan Party and the Administrative Agent shall treat each person that is recorded in the Participant Register pursuant to the terms hereof as the owner of such participation for all purposes of this Agreement, notwithstanding notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Pledge. Any Lender may, in accordance with applicable Law, 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 banking authority, and this Section 10.04 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 any such pledgee or assignee for such Lender as a party hereto.

(e) Notwithstanding anything else to the contrary contained in this Agreement, (x) any Lender may assign all or a portion of its Term Loans to any Person that, after giving effect to such assignment, would be an Affiliated Lender or a Purchasing Borrower Party in accordance with Section 10.04(b), and (y) any Affiliated Lender or the Borrowers and any Subsidiary may, from time to time, purchase or prepay Term Loans on a non-*pro rata* basis through (a) open market purchases and/or (b) Dutch auction procedures open to all applicable Lenders on a *pro rata* basis in accordance with customary procedures

to be agreed between the Borrowers and the Administrative Agent (or other applicable agent managing such auction); provided that:

(i) with respect to assignments to and purchases by any Purchasing Borrower Party, no Event of Default has occurred and is continuing or would result therefrom;

(ii) the assigning Lender and Affiliated Lender or Purchasing Borrower Party purchasing such Lender's Term Loans, as applicable, shall execute and deliver to the Administrative Agent an Affiliated Lender Assignment and Assumption in lieu of an Assignment and Assumption;

(iii) for the avoidance of doubt, Lenders shall not be permitted to assign Revolving Commitments or Revolving Loans to any Affiliated Lender or Purchasing Borrower Party;

(iv) any Term Loans assigned to any Purchasing Borrower Party (or purchased or prepaid by any Borrower or any of their respective Subsidiaries) acting in accordance with this Section 10.04(e) shall be automatically and permanently cancelled upon the effectiveness of such assignment and will thereafter no longer be outstanding for any purpose hereunder;

(v) no Purchasing Borrower Party (including any Borrower or any of their respective Subsidiaries acting as a Purchasing Borrower Party) may use the proceeds from Revolving Loans or Swingline Loans to purchase any Term Loans;

(vi) no Term Loan may be assigned to an Affiliated Lender pursuant to this Section 10.04(e), if after giving effect to such assignment, Affiliated Lenders together in the aggregate would own in excess of 25% of the aggregate principal amount of the Term Loans then outstanding (calculated as of the date of such purchase after giving effect to any simultaneous cancellation thereof); and

(vii) any Affiliated Lender may (but shall not be required to) contribute Term Loans acquired by such Affiliated Lender to the Parent Borrower or any of its Subsidiaries for purposes of canceling such debt.

(f) Notwithstanding anything to the contrary in this Agreement, no Affiliated Lender shall have any right to (i) 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, (ii) 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 any Loan Party or its representatives (and in any case, other than the right to receive notices of prepayments and other administrative notices in respect of its Loans required to be delivered to Lenders) or (iii) make or bring (or participate in, other than as a passive participant in or recipient of its *pro rata* benefits of) any claim, in its capacity as a Lender, against the Administrative Agent, the Collateral Agent or any other Lender with respect to any duties or obligations or alleged duties or obligations of such Agent or any other such Lender under the Loan Documents.

(g) Notwithstanding anything in Section 10.02 or the definition of “Required Lenders”, “Required TLA Lenders” or “Required TLB Lenders” to the contrary, for purposes of determining whether the “Required Lenders”, “Required TLA Lenders” or “Required TLB 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, the 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 any Affiliated Lender shall be deemed to have voted in the same proportion as the allocation of voting with respect to such matter by Lenders who are not Affiliated Lenders for all purposes of calculating whether the Required Lenders have taken any actions; provided that this clause (g) shall not apply with respect to any amendment, modification, waiver or consent that disproportionately, directly and adversely affects such Affiliated Lender.

(h) Each Affiliated Lender hereby agrees that if a case under Title 11 of the United States Code is commenced against any Loan Party, each such Affiliated Lender shall consent to provide that the vote of such Affiliated Lender (in its capacity as a Lender) with respect to any plan of reorganization of such Loan Party shall be deemed to be without discretion in the same proportion as the allocation of voting with respect to such matter by Lenders who are not Affiliated Lenders, except that such Affiliated Lender’s vote (in its capacity as a Lender) may be counted to the extent any such plan of reorganization proposes to treat the Obligations held by such Affiliated Lender in a manner that is less favorable in any respect to such Affiliated Lender than the proposed treatment of similar Obligations held by Lenders that are not Affiliates of the Borrowers. Each Affiliated Lender 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, 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 clause (h).

(i) In no event shall the Administrative Agent be obligated to ascertain, monitor or inquire as to whether any Lender is an Affiliated Lender nor shall the Administrative Agent be obligated to monitor the number of Affiliated Lenders or the aggregate amount of Loans or Incremental Loans held by Affiliated Lenders.

Section 10.05 Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder. The provisions of Sections 2.15, 2.16, 2.17 and 10.03 and Article IX shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of

the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof. For the avoidance of doubt, if any entity ceases to be a Lender under this Agreement pursuant to an Assignment and Assumption, such entity shall be entitled to the benefits of the surviving provisions in the previous sentence but only with respect to the period during which such entity was a Lender under this Agreement.

Section 10.06 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent, the Collateral Agent or the Arrangers embody the final, entire agreement among the parties relating to the subject matter hereof and may not be contradicted or varied by evidence of prior, contemporaneous or subsequent oral agreements or discussions of the parties hereto. There are no unwritten oral agreements among the parties hereto. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Delivery of an executed counterpart of a signature page of this Agreement by email or other electronic means (including a “.pdf” or “.tif” file) shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.07 Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 10.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of any Borrower against any of and all the Loan Obligations held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. Each party exercising rights under this Section 10.08 shall promptly notify the applicable Borrower (with a copy to the Administrative Agent) after any such exercise; provided that the failure to give such notice shall not affect the validity of such right. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender may have.

Section 10.09 Governing Law; Jurisdiction; Consent to Service of Process.

(a) Governing Law. This Agreement shall be construed in accordance with and governed by the law of the State of New York without regard to conflicts of law principles.

(b) Jurisdiction. Each Lender, each Loan Party, the Administrative Agent and the Collateral Agent hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any federal or state court located in the borough of Manhattan in the City of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Loan Document (excluding the enforcement of the Security Documents to the extent such security documents expressly provide otherwise), or for recognition or enforcement of any judgment, and each of such parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such federal court. Each of such parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Venue. Each Loan Party and each other party to this Agreement hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in clause (b) of this Section 10.09. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Service of Process. Each Loan Party and each other party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 10.10 WAIVER OF JURY TRIAL. EACH LOAN PARTY AND EACH OTHER PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH LOAN PARTY AND EACH OTHER PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THE LOAN DOCUMENTS BY, AMONG OTHER

THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.10.

Section 10.11 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 10.12 Confidentiality. Each of the Administrative Agent, the Collateral Agent, the Issuing Banks and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed: (a) to its Related Parties, including accountants, legal counsel and other advisors on a “need-to-know” basis (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential and the Administrative Agent, the Collateral Agent, the Issuing Banks and the Lenders shall be responsible for the compliance with this paragraph by its Related Parties), (b) to the extent requested by any Governmental Authority, (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process (in which case, to the extent permitted by law, the party in receipt of such request shall promptly inform the Parent Borrower in advance other than in connection with any examination of the financial condition or other routine examination of such Lender), (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions not less restrictive than those of this Section 10.12, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement (but excluding any Disqualified Institution (to the extent a list of Disqualified Institutions has been posted to all Lenders)) or (ii) any actual or prospective direct or indirect counterparty (or its advisors) to any swap or derivative transaction relating to any Loan Party and its obligations, (g) with the written consent of the Parent Borrower (h) to the extent such Information becomes publicly available other than as a result of a breach of this Section 10.12 or (i) to any rating agency when required by it, provided that, prior to any disclosure, such rating agency shall undertake to preserve the confidentiality of any confidential Information relating to the Loan Parties received by it from such Person. In addition, the Administrative Agent and the Lenders may disclose the existence of this Agreement and any customary information about this Agreement required for league table or similar credit. For the purposes of this Section, “Information” means all information received from the Borrowers relating to the Borrowers, their Subsidiaries or their business. Any Person required to maintain the confidentiality of Information as provided in this Section 10.12 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. Each Lender acknowledges that information as defined in this Section furnished to it pursuant to this Agreement may include material non-public information concerning the Loan Parties and their Related Parties or their respective securities, and confirms that it has developed compliance procedures regarding the use of material non-public information and that it will handle such material non-public information in accordance with those procedures and applicable Law, including federal and state securities laws. All information, including requests for waivers and amendments, furnished by any Borrower or any Agent or Arranger pursuant to, or in the course of administering, this Agreement will be syndicate-level information, which may contain material non-public information about the loan parties and their related parties or their respective securities. Accordingly, each Lender represents to each

Borrower and the Agents and Arrangers that it has identified in its administrative questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable Law. Notwithstanding anything in this Section 10.12 to the contrary, to the extent any legal counsel, independent auditors, professionals and other experts or agents of a Lender receives any Information, such legal counsel, independent auditors, professionals and other experts or agents shall sign an undertaking that they will treat such Information as confidential (subject to certain customary exceptions) unless there are established and enforceable codes of professional conduct governing the confidential treatment of such Information so received.

Section 10.13 Maximum Interest Rate.

(a) Limitation to Maximum Rate; Recapture. No interest rate specified in any Loan Document shall at any time exceed the Maximum Rate. If at any time the interest rate (the "Contract Rate") for any obligation under the Loan Documents shall exceed the Maximum Rate, thereby causing the interest accruing on such obligation to be limited to the Maximum Rate, then any subsequent reduction in the Contract Rate for such obligation shall not reduce the rate of interest on such obligation below the Maximum Rate until the aggregate amount of interest accrued on such obligation equals the aggregate amount of interest which would have accrued on such obligation if the Contract Rate for such obligation had at all times been in effect. As used herein, the term "Maximum Rate" means, at any time with respect to any Lender, the maximum rate of nonusurious interest under applicable Law that such Lender may charge the applicable Borrower. The Maximum Rate shall be calculated in a manner that takes into account any and all fees, payments, and other charges contracted for, charged, or received in connection with the Loan Documents that constitute interest under applicable Law. Each change in any interest rate provided for herein based upon the Maximum Rate resulting from a change in the Maximum Rate shall take effect without notice to any Borrower at the time of such change in the Maximum Rate.

(b) Cure Provisions. No provision of any Loan Document shall require the payment or the collection of interest in excess of the Maximum Rate. If any excess of interest in such respect is hereby provided for, or shall be adjudicated to be so provided, in any Loan Document or otherwise in connection with this loan transaction, the provisions of this Section 10.13 shall govern and prevail and neither any Borrower nor the sureties, guarantors, successors, or assigns of any Borrower shall be obligated to pay the excess amount of such interest or any other excess sum paid for the use, forbearance, or detention of sums loaned pursuant hereto. In the event any Lender ever receives, collects, or applies as interest any such sum, such amount which would be in excess of the maximum amount permitted by applicable Law shall be applied as a payment and reduction of the principal of the obligations outstanding hereunder, and, if the principal of the obligations outstanding hereunder has been paid in full, any remaining excess shall forthwith be paid to the applicable Borrower. In determining whether or not the interest paid or payable exceeds the Maximum Rate, each Borrower and each Lender shall, to the extent permitted by applicable Law, (a) characterize any non-principal payment as an expense, fee, or premium rather than as interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the entire contemplated term of the obligations outstanding hereunder so that interest for the entire term does not exceed the Maximum Rate.

Section 10.14 Limitation of Liability. None of Loan Parties, the Administrative Agent, the Collateral Agent, any Lender, or any of their respective Related Parties shall have any liability with respect to, and each Borrower, the Administrative Agent, the Collateral Agent, and each Lender and, by the execution of the Loan Documents to which it is a party, each other Loan Party, hereby waives, releases, and agrees not to sue any of them upon, any claim for any special, indirect, incidental, consequential or punitive damages suffered or incurred by such party in connection with, arising out of, or in any way related to any of the Loan Documents, or any of the transactions contemplated by any of the Loan Documents; provided, that nothing contained in this sentence shall limit the Loan Parties' indemnification obligations in Section 10.03 to the extent such special, indirect, consequential and punitive damages are included in any third party claim in connection with which any Indemnitee is entitled to indemnification hereunder.

Section 10.15 No Duty. All attorneys, accountants, appraisers, and other professional Persons and consultants retained by the Administrative Agent, the Collateral Agent, or any Lender shall have the right to act exclusively in the interest of the Administrative Agent, the Collateral Agent and the Lenders and shall have no duty of disclosure, duty of loyalty, duty of care, or other duty or obligation of any type or nature whatsoever to any Borrower, any other Loan Party, any of the Parent Borrower's shareholders or any other Person.

Section 10.16 No Fiduciary Relationship. The relationship between the Loan Parties on the one hand and the Agents, each other agent party hereto and each Lender on the other is solely that of debtor and creditor, and neither Agent, nor any other agent party hereto nor any Lender has any fiduciary or other special relationship with any Loan Party, and no term or condition of any of the Loan Documents shall be construed so as to deem the relationship between the Loan Parties on the one hand and each Agent, each other agent party hereto and each Lender on the other to be other than that of debtor and creditor. In addition, each Agent, each other agent party hereto and each Lender and their Affiliates may have economic interests that conflict with those of the Loan Parties, their stockholders and/or their Affiliates. The Loan Parties acknowledge and agree that (i) the transactions contemplated by the Loan Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Loan Parties, on the other, and (ii) in connection therewith (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Loan Party, its stockholders or its Affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Loan Party, its stockholders or its Affiliates on other matters) or any other obligation to any Loan Party except the obligations expressly set forth in the Loan Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Loan Party, its management, stockholders, creditors or any other Person. Each Loan Party acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Loan Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Loan Party, in connection with the transactions contemplated hereby.

Section 10.17 Construction. Each Loan Party, each Agent and each Lender acknowledges that each of them has had the benefit of legal counsel of its own choice and has

been afforded an opportunity to review the Loan Documents with its legal counsel and that the Loan Documents shall be construed as if jointly drafted by the parties thereto.

Section 10.18 USA Patriot Act. Each Lender that is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act") hereby notifies each Loan Party that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies such Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Lender to identify such Loan Party in accordance with the Patriot Act.

Section 10.19 [Reserved].

Section 10.20 Additional Borrowers. The Parent Borrower may designate any wholly-owned Restricted Subsidiary as a Borrower under any Revolving Commitments, any Incremental Facility or any Specified Refinancing Debt (an "Additional Borrower"); provided that unless such Borrower is incorporated or formed in a jurisdiction in which any other current Borrower is incorporated or formed, the jurisdiction of such Additional Borrower shall be reasonably acceptable to each applicable Lender. Such wholly-owned Restricted Subsidiary shall become an Additional Borrower and a party to this Agreement by delivering to the Administrative Agent an Additional Borrower Joinder, and all references to the "Borrowers" shall also include such Additional Borrower, as applicable, upon (a) the receipt by the Administrative Agent of (x) documentation consistent in scope with the documentation delivered in respect of the Borrowers on the Restatement Effective Date and (y) a certificate from the Parent Borrower and such Additional Borrower certifying that as of the date of such joinder, the conditions set forth in Section 4.02(a) and (b) shall be met as if a Borrowing were to occur on such date and (b) the Lenders being provided with thirty (30) Business Days' prior notice (or such shorter period of time as the Administrative Agent shall reasonably agree) of any Additional Borrower being proposed to be added pursuant to this Section 10.20. This Agreement may be amended as necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Parent Borrower to effect the provisions of or be consistent with this Section 10.20. Notwithstanding any other provision of this Agreement to the contrary (including Section 10.02), any such deemed amendment may be memorialized in writing by the Administrative Agent with the Parent Borrower's consent, but without the consent of any other Lenders (other than with respect to such Lender's approval of an Additional Borrower's jurisdiction of incorporation or formation as set forth above), and furnished to the other parties hereto.

Section 10.21 Recognition of EU Bail-In. (a) Notwithstanding anything to the contrary in the Credit Agreement, any Loan Document thereunder 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 in connection with any Incremental Term Loans (or any Loan Document thereunder) contemplated by this Agreement, 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:

1. 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 party hereto that is an EEA Financial Institution; and

2. 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.

i. As used in this Agreement, the following terms have the meanings specified below:

1. "Bail-In Action" means 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.

2. "Bail-In Legislation" means, 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.

3. "EEA Financial Institution" means (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, 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 with its parent;

4. "EEA Member Country," means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

5. "EEA Resolution Authority," means 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.

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

7. "Write-Down and Conversion Powers" means, 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.

Section 10.22 Effect of Amendment and Restatement.

As of the Restatement Effective Date, this Agreement shall amend, and restate as amended, the Existing Coty Credit Agreement, but shall not constitute a novation thereof or in any way impair or otherwise affect the rights or obligations of the parties thereunder (including with respect to the Loans and the representations and warranties made thereunder) except as such rights or obligations are amended or modified hereby. The Existing Coty Credit Agreement as amended and restated hereby shall be deemed to be a continuing agreement among the parties, and all documents, instruments and agreements delivered pursuant to or in connection with the Existing Coty Credit Agreement not amended and restated in connection with the entry of the parties into this Agreement shall remain in full force and effect, each in accordance with its terms, as of the date of delivery or such other date as contemplated by such document, instrument or agreement to the same extent as if the modifications to the Existing Coty Credit Agreement contained herein were set forth in an amendment to the Existing Coty Credit Agreement in a customary form, unless such document, instrument or agreement has otherwise been terminated or has expired in accordance with or pursuant to the terms of this Agreement, the Existing Coty Credit Agreement or such document, instrument or agreement or as otherwise agreed by the required parties hereto or thereto. Each reference in the Loan Documents to the Existing Coty Credit Agreement shall, as of the Restatement Effective Date, be construed to be a reference to the Existing Coty Credit Agreement as amended by this Agreement.

* * *

Certification

I, Sue Nabi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Coty Inc.;
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 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.

Date: May 9, 2023

/s/Sue Nabi
Sue Nabi
Chief Executive Officer

Certification

I, Laurent Mercier, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Coty Inc.;
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 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.

Date: May 9, 2023

/s/ Laurent Mercier
Laurent Mercier
Chief Financial Officer

Certification
Pursuant to Rule 13a-14(b) or
Rule 15d-14(b) and 18 U.S.C. Section 1350
(as adopted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002)

Pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), the undersigned officer of Coty Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The quarterly report on Form 10-Q for the quarter ended March 31, 2023 (the "Report") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o(d)), and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2023

/s/ Sue Nabi

Sue Nabi
Chief Executive Officer

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and for no other purpose.

Certification
Pursuant to Rule 13a-14(b) or
Rule 15d-14(b) and 18 U.S.C. Section 1350
(as adopted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002)

Pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002), the undersigned officer of Coty Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The quarterly report on Form 10-Q for the quarter ended March 31, 2023 (the "Report") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (15 U.S.C. 78m or 78o(d)), and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 9, 2023

/s/Laurent Mercier
Laurent Mercier
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and for no other purpose.