

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

Form 10-Q

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

☒

For the quarterly period ended March 31, 2024

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 001-34820

KKR

KKR & CO. INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other Jurisdiction of
Incorporation or Organization)

88-1203639

(I.R.S. Employer
Identification Number)

30 Hudson Yards

New York , New York 10001

Telephone: (212) 750-8300

(Address, zip code, and telephone number, including
area code, of registrant's principal executive office.)

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock	KKR	New York Stock Exchange
4.625% Subordinated Notes due 2061 of KKR Group Finance Co. IX LLC	KKRS	New York Stock Exchange

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

As of May 8, 2024, there were 887,401,714 shares of common stock of the registrant outstanding.

KKR & CO. INC.

FORM 10-Q

For the Quarterly Period Ended March 31, 2024

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which reflect our current views with respect to, among other things, our operations and financial performance. You can identify these forward-looking statements by the use of words such as "outlook," "believe," "think," "expect," "potential," "continue," "may," "should," "seek," "approximately," "predict," "intend," "will," "plan," "estimate," "anticipate," "visibility," "positioned," "path to," "conviction", the negative version of these words, other comparable words or other statements that do not relate strictly to historical or factual matters. Without limiting the foregoing, statements regarding KKR's business, financial condition, liquidity and results of operations, including capital invested, uncalled commitments, cash and short-term investments, and levels of indebtedness; the potential for future business growth; outstanding shares of common stock of KKR & Co. Inc. and its capital structure; non-GAAP and segment measures and performance metrics, including assets under management ("AUM"), fee paying assets under management ("FPAUM"), Adjusted Net Income, Total Operating Earnings, Total Segment Earnings, Fee Related Earnings ("FRE"), Insurance Operating Earnings, Strategic Holdings Operating Earnings, Total Investing Earnings, and Total Segment Earnings; the declaration and payment of dividends on capital stock of KKR & Co. Inc.; the timing, manner and volume of repurchase of shares of common stock of KKR & Co. Inc.; our statements regarding the potential of, and future financial results from, KKR's Strategic Holdings segment (including expectations about dividend payments from companies and businesses in the Strategic Holdings segment in the future, the future growth of such companies and businesses, the potential for compounding earnings over a long period of time from such segment, and the belief that such segment is an unconstrained business line); KKR's ability to grow its AUM, to deploy capital, to realize unrealized investment appreciation, and the time period over which such events may occur; KKR's ability to manage the investments in and operations of acquired companies and businesses; the effects of any transactional activity on KKR's operating results, including pending sales of investments; expansion and growth opportunities and other synergies resulting from acquisitions of companies (including the acquisition of Global Atlantic and businesses in our Strategic Holdings segment), internal reorganizations or strategic partnerships with third parties; the timing and expected impact to our business of any new investment fund, vehicle or product launches; the timing and completion of certain transactions contemplated by the Reorganization Agreement entered into on October 8, 2021 by KKR & Co. Inc. pursuant to which the parties agreed to undertake a series of integrated transactions to effect a number of transformative structural and governance changes in the future; the implementation or execution of, or results from, any strategic initiatives, including efforts to access private wealth investors and the modification of our compensation framework announced on November 29, 2023, which decreased the targeted percentage of compensation from fee related revenues and increased the targeted percentage from realized carried interest and incentive fees. Forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements or cause the anticipated benefits and synergies from transactions to not be realized. We believe these factors include those described in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023 (our "Annual Report" or "report"). These factors should be read in conjunction with the other cautionary statements that are included in this report and in our other filings with the U.S. Securities and Exchange Commission ("SEC"). We do not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

CERTAIN TERMS USED IN THIS REPORT

In this report, references to "KKR," "we," "us" and "our" refer to KKR & Co. Inc. and its subsidiaries, including The Global Atlantic Financial Group LLC ("TGAFG" and, together with its insurance companies and other subsidiaries, "Global Atlantic"), unless the context requires otherwise.

References to the "Series I preferred stockholder" or "KKR Management" are to KKR Management LLP, the holder of the sole outstanding share of our Series I preferred stock. References to our "senior principals" are to our senior employees who hold interests in the Series I preferred stockholder, including Mr. Henry Kravis and Mr. George Roberts (our "Co-Founders"). References to "principals" are to our current and former employees who formerly held interests ("KKR Holdings Units") in KKR Holdings L.P. ("KKR Holdings"), which we acquired on May 31, 2022, pursuant to the Reorganization Agreement, as discussed below. References to "carry pool participants" are to our current and former employees who hold interests in our "carry pool," which refers to the carried interest generated by KKR's business that is allocated to KKR Associates Holdings L.P. ("Associates Holdings"), in which carry pool participants are limited partners. Associates Holdings is currently not a subsidiary of KKR & Co. Inc.

KKR Group Partnership L.P. ("KKR Group Partnership") is the intermediate holding company that owns the entirety of KKR's business. Unless otherwise indicated, references to equity interests in KKR's business, or to percentage interests in KKR's business, reflect the aggregate equity interests in KKR Group Partnership, and are net of amounts that have been allocated to carry pool participants and any other holders of minority interests in KKR Group Partnership. References to "KKR Group Partnership" for periods prior to January 1, 2020 refer to KKR Fund Holdings L.P., KKR Management Holdings L.P. and KKR International Holdings L.P., collectively, which were combined on that date to form KKR Group Partnership. References to a "KKR Group Partnership Unit" refer to (i) one Class A partner interest in each of KKR Fund Holdings L.P., KKR Management Holdings L.P. and KKR International Holdings L.P., collectively, for periods prior to prior to January 1, 2020, and (ii) one Class A partner interest in KKR Group Partnership for periods on and after January 1, 2020. "Exchangeable securities" refers to securities that have the right to acquire KKR Group Partnership Units and to exchange them for our shares of common stock. As of the date of this report, our only outstanding exchangeable securities are (i) restricted holdings units issued through KKR Holdings II L.P. ("KKR Holdings II"), which are issued under the Amended and Restated KKR & Co. Inc. 2019 Equity Incentive Plan (the "2019 Equity Incentive Plan"), and (ii) restricted holdings units issued through KKR Holdings III L.P. ("KKR Holdings III"), which are not issued under the 2019 Equity Incentive Plan and are currently held by certain Global Atlantic employees who received 2.6 million units (a majority of which are unvested) in connection with the January 2, 2024 transaction described below. In the future, we may issue securities other than restricted holdings units that may constitute exchangeable securities.

On October 8, 2021, KKR entered into a Reorganization Agreement (the "Reorganization Agreement") with KKR Holdings, KKR Management, Associates Holdings, and the other parties thereto. Pursuant to the Reorganization Agreement, the parties agreed to undertake a series of integrated transactions to effect a number of transformative structural and governance changes, including (a) the acquisition by KKR of KKR Holdings and all of the KKR Group Partnership Units held by it (which as noted below was completed), (b) the future elimination of voting control by KKR Management and the Series I preferred stock held by it, (c) the future establishment of voting rights for all common stock on a one vote per share basis, including with respect to the election of directors, and (d) the future control of the carry pool by KKR. On May 31, 2022, KKR completed the acquisition of KKR Holdings and the 258.3 million KKR Group Partnership Units held by it, and in exchange KKR issued and delivered 266.8 million shares of common stock to our principals. On the "Sunset Date" (which will occur no later than December 31, 2026), KKR will cancel the Series I preferred stock, establish voting rights for all common stock on a one vote per share basis, and acquire control of the carry pool. For more information about the Reorganization Agreement, see Note 1 "Organization" in our financial statements included in this report.

KKR's asset management business is conducted by Kohlberg Kravis Roberts & Co. L.P. and various other subsidiaries of KKR & Co. Inc. other than Global Atlantic. KKR's insurance business is operated by Global Atlantic, which KKR acquired a majority controlling interest in on February 1, 2021 ("2021 GA Acquisition"). On January 2, 2024, KKR acquired the remaining minority interests of Global Atlantic held by third party co-investors and Global Atlantic employees in exchange for cash and securities exchangeable for shares of KKR & Co. Inc. common stock (the "2024 GA Acquisition"). As of January 2, 2024, KKR owns 100.0% of Global Atlantic. KJR Management ("KJRM") is a Japanese real estate asset manager, which KKR acquired on April 28, 2022.

References to our "funds," "vehicles" or "investment vehicles" refer to a wide array of investment funds, vehicles and accounts that are advised, managed or sponsored by one or more subsidiaries of KKR, including collateralized loan obligations ("CLOs") and business development companies (each, a "BDC"), unless the context requires otherwise. These references do not include the investment funds, vehicles or accounts of any hedge fund partnership or any other third-party asset manager with which we have formed a strategic partnership or have acquired a minority ownership interest. Unless the context requires otherwise, references to "fund investors" or "investors in our investment vehicles" refers to the third-party investors in these funds and investment vehicles. References to "strategic investor partnerships" refers to separately managed accounts with certain investors, which typically have investment periods longer than our traditional funds and typically provide for investments across different investment strategies. References to "hedge fund partnerships" refers to strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake.

Unless otherwise indicated, references in this report to our outstanding common stock on a fully exchanged and diluted basis reflect (i) actual shares of common stock outstanding, (ii) shares of common stock into which all outstanding shares of Series C Mandatory Convertible Preferred Stock were convertible (for periods prior to the date of its mandatory redemption, which occurred in September 2023), (iii) shares of common stock issuable pursuant to equity awards actually granted pursuant to the Amended and Restated KKR & Co. Inc. 2010 Equity Incentive Plan (the "2010 Equity Incentive Plan" and, together with the 2019 Equity Incentive Plan, our "Equity Incentive Plans") and (iv) shares of common stock issuances from exchangeable securities, including vested partnership interests in KKR Holdings III L.P. Our outstanding common stock on a fully exchanged and diluted basis does not include shares of common stock available for issuance pursuant to the Equity Incentive Plans for which equity awards have not yet been granted.

In this report, the term "GAAP" refers to accounting principles generally accepted in the United States of America. We disclose certain financial measures in this report that are calculated and presented using methodologies other than in accordance with GAAP, including Adjusted Net Income, Total Asset Management Segment Revenues, Total Segment Earnings, Total Investing Earnings, Total Operating Earnings, FRE, Insurance Operating Earnings and Strategic Holdings Operating Earnings. We believe that providing these performance measures on a supplemental basis to our GAAP results is helpful to stockholders in assessing the overall performance of KKR's businesses. These non-GAAP financial measures should not be considered as a substitute for similar financial measures calculated in accordance with GAAP. We caution readers that these non-GAAP financial measures may differ from the calculations of other investment managers, and as a result, may not be comparable to similar measures presented by other investment managers. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, where applicable, are included under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Segment Balance Sheet Measures—Reconciliations to GAAP Measures." This report also uses the terms AUM, FPAUM and capital invested. You should note that our calculations of these and other operating metrics may differ from the calculations of other investment managers and, as a result, may not be comparable to similar metrics presented by other investment managers. These non-GAAP and operating metrics are defined in the section "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Segment and Non-GAAP Performance Measures—Other Terms and Capital Metrics."

The use of any defined term in this report to mean more than one entity, person, security or other item collectively is solely for convenience of reference and in no way implies that such entities, persons, securities or other items are one indistinguishable group. For example, notwithstanding the use of the defined terms "KKR," "we" and "our" in this report to refer to KKR & Co. Inc. and its subsidiaries, each subsidiary of KKR & Co. Inc. is a standalone legal entity that is separate and distinct from KKR & Co. Inc. and any of its other subsidiaries. Any KKR entity (including any Global Atlantic entity) referenced herein is responsible for its own financial, contractual and legal obligations. Additionally, references to "including" are for the purpose of illustration and shall be read to mean "including without limitation" unless the context explicitly requires otherwise.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

KKR & CO. INC. CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED) (Amounts in Thousands, Except Share and Per Share Data)

	March 31, 2024	December 31, 2023
Assets		
<i>Asset Management and Strategic Holdings</i>		
Cash and Cash Equivalents	\$ 7,083,931	\$ 8,393,892
Restricted Cash and Cash Equivalents	227,486	116,599
Investments	100,693,987	98,634,801
Due from Affiliates	1,449,394	1,446,852
Other Assets	4,869,575	4,975,223
	<u>114,324,373</u>	<u>113,567,367</u>
<i>Insurance</i>		
Cash and Cash Equivalents	\$ 8,524,962	\$ 11,954,675
Restricted Cash and Cash Equivalents	329,149	342,954
Investments	157,747,170	141,370,323
Reinsurance Recoverable	44,160,226	36,617,344
Insurance Intangible Assets	4,856,923	4,450,824
Other Assets	5,607,951	4,883,707
Separate Account Assets	4,223,173	4,107,000
	<u>225,449,554</u>	<u>203,726,827</u>
Total Assets	<u><u>\$ 339,773,927</u></u>	<u><u>\$ 317,294,194</u></u>
Liabilities and Equity		
<i>Asset Management and Strategic Holdings</i>		
Debt Obligations	\$ 45,053,639	\$ 44,886,870
Due to Affiliates	443,219	538,099
Accrued Expenses and Other Liabilities	8,868,372	7,718,415
	<u>54,365,230</u>	<u>53,143,384</u>
<i>Insurance</i>		
Policy Liabilities (market risk benefit liabilities: \$ 1,023,053 and \$ 1,120,968 , respectively.)	\$ 173,598,686	\$ 160,058,271
Debt Obligations	3,086,113	2,587,857
Funds Withheld Payable at Interest	42,639,725	34,339,522
Accrued Expenses and Other Liabilities	3,384,444	3,256,006
Reinsurance Liabilities	1,564,706	1,423,242
Separate Account Liabilities	4,223,173	4,107,000
	<u>228,496,847</u>	<u>205,771,898</u>
Total Liabilities	<u>282,862,077</u>	<u>258,915,282</u>

	March 31, 2024	December 31, 2023
Commitments and Contingencies (See Note 24)		
Redeemable Noncontrolling Interests (See Note 23)	\$ 922,093	\$ 615,427
Stockholders' Equity		
Series I Preferred Stock, \$ 0.01 par value. 1 share authorized, 1 share issued and outstanding as of March 31, 2024 and December 31, 2023.	—	—
Common Stock, \$ 0.01 par value. 3,500,000,000 shares authorized, 885,010,967 and 885,005,588 shares, issued and outstanding as of March 31, 2024 and December 31, 2023, respectively.	8,850	8,850
Additional Paid-In Capital	18,032,599	17,549,157
Retained Earnings	10,354,524	9,818,336
Accumulated Other Comprehensive Income (Loss) ("AOCI")	(6,974,780)	(4,517,649)
Total KKR & Co. Inc. Stockholders' Equity	21,421,193	22,858,694
Noncontrolling Interests (See Note 22)	34,568,564	34,904,791
Total Equity	55,989,757	57,763,485
Total Liabilities and Equity	\$ 339,773,927	\$ 317,294,194

See notes to financial statements.

KKR & CO. INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (UNAUDITED) (CONTINUED)
(Amounts in Thousands)

The following presents the portion of the consolidated balances provided in the consolidated statements of financial condition attributable to consolidated variable interest entities ("VIEs"). As of March 31, 2024 and December 31, 2023, KKR's consolidated VIEs consist primarily of (i) certain collateralized financing entities ("CFEs") holding collateralized loan obligations ("CLOs"), (ii) certain investment funds, and (iii) certain VIEs formed by Global Atlantic. The noteholders, creditors and equity holders of these VIEs have no recourse to the assets of any other KKR entity.

With respect to consolidated CLOs and certain investment funds, the following assets may only be used to settle obligations of these consolidated VIEs and the following liabilities are only the obligations of these consolidated VIEs and not generally to KKR. Additionally, KKR has no right to the benefits from, nor does KKR bear the risks associated with, the assets held by these VIEs beyond KKR's beneficial interest therein and any income generated from the VIEs. There are neither explicit arrangements nor does KKR hold implicit variable interests that would require KKR to provide any material ongoing financial support to the consolidated VIEs, beyond amounts previously committed to them, if any.

With respect to certain other VIEs consolidated by Global Atlantic, Global Atlantic has formed certain VIEs to hold investments, including fixed maturity securities, consumer and other loans, renewable energy, transportation and real estate. These VIEs issue beneficial interests primarily to Global Atlantic's insurance companies.

March 31, 2024				
	Consolidated CLOs	Consolidated Funds and Other Investment Vehicles	Other VIEs	Total
Assets				
Asset Management and Strategic Holdings				
Cash and Cash Equivalents	\$ 1,809,877	\$ 1,320,273	\$ —	\$ 3,130,150
Restricted Cash and Cash Equivalents	—	222,046	—	222,046
Investments	24,961,635	58,005,968	—	82,967,603
Other Assets	446,810	481,088	—	927,898
	<u>27,218,322</u>	<u>60,029,375</u>	<u>—</u>	<u>87,247,697</u>
Insurance				
Cash and Cash Equivalents	—	—	971,977	971,977
Investments	—	—	22,073,507	22,073,507
Other Assets	—	—	763,028	763,028
	<u>—</u>	<u>—</u>	<u>23,808,512</u>	<u>23,808,512</u>
Total Assets	<u>\$ 27,218,322</u>	<u>\$ 60,029,375</u>	<u>\$ 23,808,512</u>	<u>\$ 111,056,209</u>
Liabilities				
Asset Management and Strategic Holdings				
Debt Obligations	\$ 25,075,510	\$ 9,031,007	\$ —	\$ 34,106,517
Accrued Expenses and Other Liabilities	1,087,500	380,741	—	1,468,241
	<u>26,163,010</u>	<u>9,411,748</u>	<u>—</u>	<u>35,574,758</u>
Insurance				
Accrued Expenses and Other Liabilities	—	—	325,974	325,974
Total Liabilities	<u>\$ 26,163,010</u>	<u>\$ 9,411,748</u>	<u>\$ 325,974</u>	<u>\$ 35,900,732</u>

December 31, 2023				
	Consolidated CLOs	Consolidated Funds and Other Investment Vehicles	Other VIEs	Total
Assets				
Asset Management and Strategic Holdings				
Cash and Cash Equivalents	\$ 1,709,523	\$ 1,162,174	\$ —	\$ 2,871,697
Restricted Cash and Cash Equivalents	—	110,308	—	110,308
Investments	24,996,298	57,343,237	—	82,339,535
Other Assets	429,827	345,509	—	775,336
	27,135,648	58,961,228	—	86,096,876
Insurance				
Cash and Cash Equivalents	—	—	783,015	783,015
Investments	—	—	22,556,040	22,556,040
Other Assets	—	—	491,607	491,607
	—	—	23,830,662	23,830,662
Total Assets	\$ 27,135,648	\$ 58,961,228	\$ 23,830,662	\$ 109,927,538
Liabilities				
Asset Management and Strategic Holdings				
Debt Obligations	\$ 25,276,404	\$ 8,554,449	\$ —	\$ 33,830,853
Accrued Expenses and Other Liabilities	869,765	488,717	—	1,358,482
	26,146,169	9,043,166	—	35,189,335
Insurance				
Accrued Expenses and Other Liabilities	—	—	337,162	337,162
Total Liabilities	\$ 26,146,169	\$ 9,043,166	\$ 337,162	\$ 35,526,497

See notes to financial statements.

KKR & CO. INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(Amounts in Thousands, Except Share and Per Share Data)

	Three Months Ended March 31,	
	2024	2023
Revenues		
<i>Asset Management and Strategic Holdings</i>		
Fees and Other	\$ 693,526	\$ 677,016
Capital Allocation-Based Income (Loss)	1,262,942	449,018
	<u>1,956,468</u>	<u>1,126,034</u>
<i>Insurance</i>		
Net Premiums	6,036,522	473,624
Policy Fees	328,947	313,802
Net Investment Income	1,519,902	1,300,697
Net Investment-Related Gains (Losses)	(241,486)	(123,833)
Other Income	56,385	37,158
	<u>7,700,270</u>	<u>2,001,448</u>
Total Revenues	<u>9,656,738</u>	<u>3,127,482</u>
Expenses		
<i>Asset Management and Strategic Holdings</i>		
Compensation and Benefits	1,316,448	575,670
Occupancy and Related Charges	23,540	22,149
General, Administrative and Other	277,981	213,689
	<u>1,617,969</u>	<u>811,508</u>
<i>Insurance</i>		
Net Policy Benefits and Claims (including market risk benefit loss (gain) of \$(101,760) and \$ 146,309 , respectively.)	7,261,069	1,527,054
Amortization of Policy Acquisition Costs	(3,752)	44,211
Interest Expense	54,567	40,261
Insurance Expenses	199,236	225,318
General, Administrative and Other	183,855	211,731
	<u>7,694,975</u>	<u>2,048,575</u>
Total Expenses	<u>9,312,944</u>	<u>2,860,083</u>
Investment Income (Loss) - Asset Management and Strategic Holdings		
Net Gains (Losses) from Investment Activities	638,162	(159,409)
Dividend Income	245,057	148,167
Interest Income	890,102	728,616
Interest Expense	(754,064)	(576,338)
Total Investment Income (Loss)	<u>1,019,257</u>	<u>141,036</u>
Income (Loss) Before Taxes	<u>1,363,051</u>	<u>408,435</u>
Income Tax Expense (Benefit)	<u>269,201</u>	<u>148,747</u>

	Three Months Ended March 31,	
	2024	2023
Net Income (Loss)	1,093,850	259,688
Net Income (Loss) Attributable to Redeemable Noncontrolling Interests	32,678	(7,303)
Net Income (Loss) Attributable to Noncontrolling Interests	378,958	(73,003)
Net Income (Loss) Attributable to KKR & Co. Inc.	682,214	339,994
Series C Mandatory Convertible Preferred Stock Dividends	—	17,250
Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders	\$ 682,214	\$ 322,744
Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock		
Basic	\$ 0.77	\$ 0.37
Diluted	\$ 0.74	\$ 0.36
Weighted Average Shares of Common Stock Outstanding		
Basic	885,005,824	861,108,510
Diluted	925,141,166	887,169,336

See notes to financial statements.

KKR & CO. INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)
(Amounts in Thousands)

	Three Months Ended March 31,	
	2024	2023
Net Income (Loss)	\$ 1,093,850	\$ 259,688
Other Comprehensive Income (Loss), Net of Tax:		
Unrealized Gains (Losses) on Available-For-Sale Securities and Other	(200,221)	1,132,752
Net effect of changes in discount rates and instrument-specific credit risk on policy liabilities	125,180	(137,101)
Foreign Currency Translation Adjustments	(107,161)	(18,238)
Comprehensive Income (Loss)	911,648	1,237,101
Comprehensive Income (Loss) Attributable to Redeemable Noncontrolling Interests	32,678	(7,303)
Comprehensive Income (Loss) Attributable to Noncontrolling Interests	377,478	294,185
Comprehensive Income (Loss) Attributable to KKR & Co. Inc.	<u>\$ 501,492</u>	<u>\$ 950,219</u>

See notes to financial statements.

KKR & CO. INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)
(Amounts in Thousands, Except Share and Per Share Data)

	Three Months Ended March 31, 2024		Three Months Ended March 31, 2023	
	Amounts	Shares	Amounts	Shares
Series C Mandatory Convertible Preferred Stock				
Beginning of Period	\$ —	—	\$ 1,115,792	22,999,974
End of Period	—	—	1,115,792	22,999,974
Series I Preferred Stock				
Beginning of Period	—	1	—	1
End of Period	—	1	—	1
Common Stock				
Beginning of Period	8,850	885,005,588	8,611	861,110,478
Clawback of Transfer Restricted Shares	—	—	—	(13,624)
Private Placement Share Issuance	—	5,379	—	—
Net Delivery of Common Stock	—	—	—	7,146
End of Period	8,850	885,010,967	8,611	861,104,000
Additional Paid-In Capital				
Beginning of Period (as previously reported for the prior period)	17,549,157		16,190,407	
Adoption of New Accounting Standard (See Note 2)	—		93,650	
Beginning of Period (as revised for the prior period)	17,549,157		16,284,057	
Compensation Modification (See Note 19)	226,011		—	
Compensation Modification - Issuance of Holdings III Units (See Note 19)	(53,623)		—	
Equity-Based Compensation	79,504		55,415	
2024 GA Acquisition - Issuance of Holdings III Units (See Note 1)	(40,789)		—	
Change in KKR & Co. Inc.'s Ownership Interest - 2024 GA Acquisition	128,194		—	
Change in KKR & Co. Inc.'s Ownership Interest (See Note 22)	144,145		—	
End of Period	18,032,599		16,339,472	
Retained Earnings				
Beginning of Period (as previously reported for the prior period)	9,818,336		6,315,711	
Adoption of New Accounting Standard (See Note 2)	—		385,396	
Beginning of Period (as revised for the prior period)	9,818,336		6,701,107	
Net Income (Loss) Attributable to KKR & Co. Inc.	682,214		339,994	
Series C Mandatory Convertible Preferred Stock Dividends (\$ 0.75 per share)	—		(17,250)	
Common Stock Dividends (\$ 0.165 and \$ 0.155 per share)	(146,026)		(133,470)	
End of Period	10,354,524		6,890,381	
Accumulated Other Comprehensive Income (Loss) (net of tax)				
Beginning of Period (as previously reported for the prior period)	(4,517,649)		(5,901,701)	
Adoption of New Accounting Standard (See Note 2)	—		599,901	
Beginning of Period (as revised for the prior period)	(4,517,649)		(5,301,800)	
Other Comprehensive Income (Loss)	(180,722)		610,225	
Change in KKR & Co. Inc.'s Ownership Interest - 2024 GA Acquisition	(2,297,494)		—	
Change in KKR & Co. Inc.'s Ownership Interest (See Note 22)	21,085		—	
End of Period	(6,974,780)		(4,691,575)	
Total KKR & Co. Inc. Stockholders' Equity	21,421,193		19,662,681	
Noncontrolling Interests (See Note 22)	34,568,564		37,316,569	
Total Equity	\$ 55,989,757		\$ 56,979,250	
Redeemable Noncontrolling Interests (See Note 23)	\$ 922,093		\$ 144,126	

See notes to financial statements.

KKR & CO. INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(Amounts in Thousands)

	Three Months Ended March 31,	
	2024	2023
Operating Activities		
Net Income (Loss)	\$ 1,093,850	\$ 259,688
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Equity-Based and Other Non-Cash Compensation	183,411	184,135
Net Realized (Gains) Losses - Asset Management and Strategic Holdings	190,905	(99,380)
Change in Unrealized (Gains) Losses - Asset Management and Strategic Holdings	(829,067)	258,789
Capital Allocation-Based (Income) Loss - Asset Management and Strategic Holdings	(1,262,942)	(449,018)
Net Investment and Policy Liability-Related (Gains) Losses - Insurance	591,288	953,155
Net Accretion and Amortization	(14,484)	32,180
Interest Credited to Policyholder Account Balances (net of Policy Fees) - Insurance	925,399	623,849
Other Non-Cash Amounts	59,030	49,999
Cash Flows Due to Changes in Operating Assets and Liabilities:		
Reinsurance Transactions and Acquisitions, Net of Cash Provided - Insurance	152,861	242,554
Change in Premiums, Notes Receivable and Reinsurance Recoverable, Net of Reinsurance Premiums Payable - Insurance	583,293	(263,534)
Change in Deferred Policy Acquisition Costs - Insurance	(178,684)	(166,926)
Change in Policy Liabilities and Accruals, Net - Insurance	(89,817)	130,151
Change in Due from / to Affiliates	(101,267)	(145,301)
Change in Other Assets	(19,836)	493,728
Change in Accrued Expenses and Other Liabilities	951,953	699,553
Investments Purchased - Asset Management and Strategic Holdings	(10,454,480)	(9,966,282)
Proceeds from Investments - Asset Management and Strategic Holdings	9,746,020	5,229,772
Net Cash Provided (Used) by Operating Activities	1,527,433	(1,932,888)
Investing Activities		
Purchases of Fixed Assets	(17,295)	(23,207)
Investments Purchased - Insurance	(13,726,204)	(8,769,518)
Proceeds from Investments - Insurance	7,528,657	4,956,273
Other Investing Activities, Net - Insurance	16,063	17,919
Net Cash Provided (Used) by Investing Activities	(6,198,779)	(3,818,533)
Financing Activities		
Series C Mandatory Convertible Preferred Stock Dividends	—	(17,250)
Common Stock Dividends	(146,026)	(133,470)
Distributions to Redeemable Noncontrolling Interests	(8,265)	(636)
Contributions from Redeemable Noncontrolling Interests	282,253	—
Distributions to Noncontrolling Interests	(1,732,066)	(1,840,303)
Contributions from Noncontrolling Interests	1,434,323	2,468,778
2024 GA Acquisition - Cash consideration (See Note 1)	(2,622,230)	—
Proceeds from Debt Obligations	5,717,282	3,378,792
Repayment of Debt Obligations	(4,928,299)	(1,858,984)
Additions to Contractholder Deposit Funds - Insurance	7,451,253	4,547,895
Withdrawals from Contractholder Deposit Funds - Insurance	(4,887,018)	(4,060,332)
Reinsurance Transactions, Net of Cash Provided - Insurance	12,198	79,516
Other Financing Activity, Net - Insurance	(528,441)	(491,038)
Net Cash Provided (Used) by Financing Activities	44,964	2,072,968
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(16,210)	21,603
Net Increase/(Decrease) in Cash, Cash Equivalents and Restricted Cash	\$ (4,642,592)	\$ (3,656,850)
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	20,808,120	13,385,370
Cash, Cash Equivalents and Restricted Cash, End of Period	\$ 16,165,528	\$ 9,728,520

	Three Months Ended March 31,	
	2024	2023
Cash, Cash Equivalents and Restricted Cash are comprised of the following:		
Beginning of the Period		
<i>Asset Management and Strategic Holdings</i>		
Cash and Cash Equivalents	\$ 8,393,892	\$ 6,705,325
Restricted Cash and Cash Equivalents	116,599	253,431
<i>Total Asset Management and Strategic Holdings</i>	<u>8,510,491</u>	<u>6,958,756</u>
<i>Insurance</i>		
Cash and Cash Equivalents	\$ 11,954,675	\$ 6,118,231
Restricted Cash and Cash Equivalents	342,954	308,383
<i>Total Insurance</i>	<u>12,297,629</u>	<u>6,426,614</u>
Cash, Cash Equivalents and Restricted Cash, Beginning of Period	<u>\$ 20,808,120</u>	<u>\$ 13,385,370</u>
End of the Period		
<i>Asset Management and Strategic Holdings</i>		
Cash and Cash Equivalents	\$ 7,083,931	\$ 5,576,121
Restricted Cash and Cash Equivalents	227,486	161,619
<i>Total Asset Management and Strategic Holdings</i>	<u>7,311,417</u>	<u>5,737,740</u>
<i>Insurance</i>		
Cash and Cash Equivalents	\$ 8,524,962	\$ 3,713,382
Restricted Cash and Cash Equivalents	329,149	277,398
<i>Total Insurance</i>	<u>8,854,111</u>	<u>3,990,780</u>
Cash, Cash Equivalents and Restricted Cash, End of Period	<u>\$ 16,165,528</u>	<u>\$ 9,728,520</u>

KKR & CO. INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (CONTINUED)
(Amounts in Thousands)

	Three Months Ended March 31,	
	2024	2023
Supplemental Disclosures of Cash Flow Information		
Payments for Interest	\$ 745,412	\$ 566,904
Payments for Income Taxes	\$ 39,375	\$ 21,441
Payments for Operating Lease Liabilities	\$ 17,339	\$ 15,281
Supplemental Disclosures of Non-Cash Investing and Financing Activities		
Non-Cash Contribution from Noncontrolling Interests	\$ 3,879	\$ —
Debt Obligations - Net Gains (Losses), Translation and Other	\$ 400,122	\$ (428,559)
Right-of-Use Assets obtained in Exchange for new Operating Lease Liabilities	\$ —	\$ 17,167
Investments Acquired through Reinsurance Agreements	\$ 9,996,537	\$ —
Contractholder Deposit Funds Acquired through Reinsurance Agreements	\$ 1,229,728	\$ 24,083
Change in Consolidation		
Investments - Insurance	\$ —	\$ (93,545)
Noncontrolling Interests	\$ —	\$ (93,545)

See notes to financial statements.

KKR & CO. INC.
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)
(All Amounts in Thousands, Except Share and Per Share Data, and Except Where Noted)

1. ORGANIZATION

KKR & Co. Inc. (NYSE: KKR), through its subsidiaries (collectively, "KKR"), is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of The Global Atlantic Financial Group LLC ("TGAFG" and, together with its insurance companies and other subsidiaries, "Global Atlantic").

KKR & Co. Inc. is the parent company of KKR Group Co. Inc., which in turn owns KKR Group Holdings Corp., which is the general partner of KKR Group Partnership L.P. ("KKR Group Partnership"). KKR & Co. Inc. both indirectly controls KKR Group Partnership and indirectly holds Class A partner interests in KKR Group Partnership ("KKR Group Partnership Units") representing economic interests in KKR's business. As of March 31, 2024, KKR & Co. Inc. held indirectly approximately 99.4 % of the KKR Group Partnership Units. The remaining balance is held indirectly by KKR employees through restricted holdings units representing an ownership interest in KKR Group Partnership Units, which may be exchanged for shares of common stock of KKR & Co. Inc. ("exchangeable securities"). As limited partner interests, these KKR Group Partnership Units are non-voting and do not entitle anyone other than KKR to manage its business and affairs. KKR Group Partnership also has outstanding limited partner interests that provide for a carry pool provided by KKR Associates Holdings L.P. ("Associates Holdings").

On January 2, 2024, KKR acquired the remaining minority interests of Global Atlantic held by third party co-investors and Global Atlantic employees in exchange for cash and securities exchangeable for shares of KKR & Co. Inc. common stock (the "2024 GA Acquisition"). The purchase price paid by KKR was approximately \$ 2.6 billion in cash and approximately \$ 41 million in securities exchangeable for shares of KKR & Co. Inc. common stock. Global Atlantic was consolidated prior to January 2, 2024 and consequently, this transaction was accounted for as an equity transaction. At the time of the 2024 GA Acquisition, the carrying value of the noncontrolling interests held by third party co-investors and Global Atlantic employees in Global Atlantic was lower than the purchase price paid by KKR, which was determined by excluding unrealized losses on its available-for-sale portfolio and consistent with the calculation of the purchase price paid by KKR to acquire Global Atlantic in 2021. As such, this transaction resulted in a decrease in KKR & Co. Inc. Stockholders' Equity.

References to "KKR" in these financial statements refer to KKR & Co. Inc. and its subsidiaries, including Global Atlantic, unless the context requires otherwise, especially in sections where "KKR" is intended to refer to the asset management and strategic holdings businesses only. References in these financial statements to "principals" are to KKR's current and former employees who held interests in KKR's business through KKR Holdings prior to the Reorganization Mergers (as defined below). References to "Global Atlantic" in these financial statements includes the insurance companies and other subsidiaries of Global Atlantic, which are consolidated by KKR.

Reorganization Agreement

On October 8, 2021, KKR entered into a Reorganization Agreement (the "Reorganization Agreement") with KKR Holdings L.P. ("KKR Holdings"), KKR Management LLP (which holds the sole outstanding share of Series I preferred stock), Associates Holdings, and the other parties thereto. Pursuant to the Reorganization Agreement, the parties agreed to undertake a series of integrated transactions to effect a number of transformative structural and governance changes, some of which were completed on May 31, 2022, and other changes to be completed in the future. On May 31, 2022, KKR completed the merger transactions ("Reorganization Mergers") contemplated by the Reorganization Agreement pursuant to which KKR acquired KKR Holdings (which changed its name to KKR Group Holdings L.P.) and all of the KKR Group Partnership Units held by it.

Notes to Financial Statements (Continued)

Pursuant to the Reorganization Agreement, the following transactions will occur in the future on the Sunset Date (as defined below):

- i. the control of KKR & Co. Inc. by KKR Management LLP and the Series I Preferred Stock held by it will be eliminated,
- ii. the voting rights for all common stock of KKR & Co. Inc., including with respect to the election of directors, will be established on a one vote per share basis, and
- iii. KKR will acquire control of Associates Holdings, the entity providing for the allocation of carry proceeds to KKR employees, also known as the carry pool.

The "Sunset Date" will be the earlier of (i) December 31, 2026 and (ii) the six-month anniversary of the first date on which the death or permanent disability of both Mr. Henry Kravis and Mr. George Roberts (collectively, "Co-Founders") has occurred (or any earlier date consented to by KKR Management LLP in its sole discretion). In addition, KKR Management LLP agreed not to transfer its ownership of the sole share of Series I Preferred Stock, and, the changes to occur effective on the Sunset Date are unconditional commitments of the parties to the Reorganization Agreement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited financial statements of KKR & Co. Inc. have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and the instructions to this Quarterly Report on Form 10-Q. The condensed consolidated financial statements (referred to hereafter as the "financial statements"), including these notes, are unaudited and exclude some of the disclosures required in annual financial statements. Management believes it has made all necessary adjustments (consisting of only normal recurring items) such that the financial statements are presented fairly and that estimates made in preparing the financial statements are reasonable and prudent. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. The consolidated balance sheet data as of December 31, 2023 were derived from audited financial statements included in KKR & Co. Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the U.S. Securities and Exchange Commission ("SEC") on February 29, 2024 (our "Annual Report"), and the financial statements should be read in conjunction with the audited financial statements included therein. Additionally, in the accompanying financial statements, the condensed consolidated statements of financial condition are referred to hereafter as the "consolidated statements of financial condition"; the condensed consolidated statements of operations are referred to hereafter as the "consolidated statements of operations"; the condensed consolidated statements of comprehensive income (loss) are referred to hereafter as the "consolidated statements of comprehensive income (loss)"; the condensed consolidated statements of changes in equity are referred to hereafter as the "consolidated statements of changes in equity"; and the condensed consolidated statements of cash flows are referred to hereafter as the "consolidated statements of cash flows."

KKR consolidates the financial results of KKR Group Partnership and its consolidated entities, which include the accounts of KKR's investment management and capital markets companies, the general partners of certain unconsolidated investment funds, general partners of consolidated investment funds and their respective consolidated investment funds, Global Atlantic's insurance companies and certain other entities including CFEs.

The presentations in the consolidated statement of financial condition and consolidated statement of operations reflect the significant industry diversification of KKR by its acquisition of Global Atlantic. Global Atlantic operates an insurance business, and KKR operates an asset management business, which manages the operations of the newly-formed Strategic Holdings segment (see Note 21 - "Segment Reporting"), each of which possess distinct characteristics. As a result, KKR developed a two-tiered approach for the financial statements presentation, where Global Atlantic's insurance operations are presented separately from KKR's asset management business. KKR believes that these separate presentations provide a more informative view of the consolidated financial position and results of operations than traditional aggregated presentations and that reporting Global Atlantic's insurance operations separately is appropriate given, among other factors, the relative significance of Global Atlantic's policy liabilities, which are not obligations of KKR. (other than the insurance companies that issued them). If a traditional aggregate presentation were to be used, KKR would expect to eliminate or combine several identical or similar captions, which would condense the presentations, but would also reduce the level of information presented. KKR also believes that using a traditional aggregate presentation would result in no new line items compared to the two-tier presentation included in the financial statements in this report.

In the ordinary course of business, KKR's Asset Management business, Strategic Holdings business and Insurance business enter into transactions with each other, which may include transactions pursuant to their investment management agreements and certain financing arrangements. The borrowings from these financing arrangements are non-recourse to KKR beyond the assets designated to support such borrowings. All of the investment management and financing arrangements amongst KKR segments are eliminated in consolidation.

All intercompany transactions and balances have been eliminated.

For a detailed discussion about KKR's significant accounting policies and for further information on accounting updates adopted in the prior year, see Note 2 to the financial statements in the Annual Report. Other than the items listed below, during the three months ended March 31, 2024, there were no significant updates to KKR's significant accounting policies.

Notes to Financial Statements (Continued)**Use of Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the recognition and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, investment income (loss) and income taxes during the reporting periods. Such estimates include but are not limited to (i) the valuation of investments and financial instruments, (ii) the determination of the income tax provision, (iii) the impairment of goodwill and intangible assets, (iv) the impairment of available-for-sale investments, (v) the valuation of insurance policy liabilities, including market risk benefits, (vi) the valuation of embedded derivatives in policy liabilities and funds withheld, (vii) the determination of the allowance for loan losses, and (viii) amortization of deferred revenues and expenses associated with the insurance business.

Certain events particular to each industry and country or region in which the portfolio companies conduct their operations, as well as general market, economic, political and geopolitical, regulatory and public health conditions, may have a significant negative impact on KKR's investments and profitability. Such events are beyond KKR's control, and the likelihood that they may occur and the effect on KKR's use of estimates cannot be predicted. Actual results could differ from those estimates, and such differences could be material to the financial statements.

Compensation and Benefits*Carry Pool Allocation*

With respect to our funds that provide for carried interest, KKR allocates a portion of the realized and unrealized carried interest that KKR earns to Associates Holdings, which is referred to as the carry pool, from which KKR's asset management employees and certain other carry pool participants are eligible to receive a carried interest allocation. The allocation is determined based upon a fixed arrangement between Associates Holdings and KKR, and KKR does not exercise discretion on whether to make an allocation to the carry pool upon a realization event. KKR refers to the portion of carried interest that KKR allocates to the carry pool as the carry pool percentage.

As of December 31, 2023, the carry pool percentage was fixed at 40 %, 43 % or 65 % by investment fund, depending on the fund's vintage. For funds that closed after December 31, 2020 but before December 31, 2023, the carry pool percentage was fixed at 65 %. For funds that closed after June 30, 2017 but before December 31, 2020, the carry pool percentage was fixed at 43 %, and the carry pool percentage was fixed at 40 % for older funds that contributed to KKR's carry pool. Effective January 2, 2024, KKR is authorized to apply a carry pool percentage in excess of these fixed percentages of up to 80 % for all funds.

This increase to the carry pool percentage was approved by a majority of KKR's independent directors, and the carry pool percentage may not be increased above 80 % without the further approval of a majority of KKR's independent directors. For funds that closed after December 31, 2023, the carry pool percentage is fixed at 80 %. For funds that closed prior to December 31, 2023, the carry pool percentage is calculated at a fixed percentage of 40 %, 43 % or 65 % (depending on the fund's vintage) for carried interest realized up to a high water mark, which was established based on the unrealized carried interest balance that existed on January 2, 2024, plus an additional percentage amount up to 80 % based on a formulaic allocation, only if the unrealized carried interest balance at any period end exceeds the high water mark. This imposes a limitation of the carry pool allocation for such funds based on the amount of cumulative unrealized carried interest income earned subsequent to December 31, 2023.

For funds that closed before December 31, 2023, if the cumulative carried interest subsequent to December 31, 2023 is not sufficient to fund this formulaic allocation, the allocation of carried interest reverts to the carry pool percentage in effect before this modification. As such, upon modification of the carry pool percentage effective on January 2, 2024, the cumulative unrealized carried interest was not sufficient to fund the additional formulaic allocation percentage in excess of the pre-existing 40 %, 43 % and 65 % carry pool percentages, and therefore no incremental expense was recognized as of such date. The carry pool percentage applicable for all funds that closed prior to December 31, 2023 will not be less than their applicable carry pool percentages of 40 %, 43 % or 65 % prior to December 31, 2023, and will not be more than 80 %. The intent of this modification is that for all funds that closed prior to January 2, 2024, upon the final liquidation of each fund, realized carried interest distributed will equal the historical fund carry pool allocations up to the high water mark and only distributions of realized carried interest in excess of the high water mark will be distributed at 80 percent if and only if the unrealized carried interest balance at any period end exceeds the high water mark. Under no circumstance would a distribution of carried interest exceed 80% of the total allocable carried interest at any time.

Notes to Financial Statements (Continued)

KKR accounts for the carry pool as a compensatory profit-sharing arrangement in Accrued Expenses and Other Liabilities within the accompanying consolidated statements of financial condition in conjunction with the related carried interest income and it is recorded as compensation expense. The liability that is recorded in each period reflects the legal entitlement of Associates Holdings at each point in time should the total unrealized carried interest be realized at the value recorded at each reporting date. Upon a reversal of carried interest income, the related carry pool allocation, if any, is also reversed. Accordingly, such compensation expense is subject to both positive and negative adjustments.

Adoption of new accounting pronouncements*Fair value measurement of equity securities subject to contractual sale restrictions*

In June 2022, the FASB issued ASU 2022-03, ASC Subtopic 820 "Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions" ("ASU 2022-03"). According to ASU 2022-03, an entity should not consider the contractual sale restriction when measuring the equity security's fair value and an entity is not allowed to recognize a contractual sale restriction as a separate unit of account.

ASU 2022-03 is effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. KKR adopted this accounting standard effective January 1, 2024 and its adoption on a prospective basis did not have any material impact on KKR's consolidated financial statements.

Accounting for Investments in Tax Credit Structures

In March 2023, the FASB issued ASU 2023-02 "Investments—Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method" ("ASU 2023-02") to expand the population of investments in tax credit structures that may be eligible to apply the proportional amortization method ("PAM"), if certain criteria are met. The election to use the PAM can be made on a tax credit program-by-program basis. Under the new guidance, certain disclosures are required for investments in tax credit programs for which the PAM is elected. The guidance is effective for fiscal years beginning after December 15, 2023. KKR adopted this accounting standard effective January 1, 2024 and its adoption did not have any material impact on KKR's consolidated financial statements.

Future application of accounting standards*Improvements to Reportable Segment Disclosures*

In November 2023, the FASB issued ASU 2023-07 "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"). ASU 2023-07 intends to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. This is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. KKR is currently evaluating the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

Scope Application of Profits Interest and Similar Awards

In March 2024, the FASB issued ASU 2024-01, Compensation—Stock Compensation (Topic 718): Scope Application of Profits Interest and Similar Awards ("ASU 2024-01"). ASU 2024-01 amends the guidance in Accounting Standard Codification 718 ("ASC 718") by adding an illustrative example to demonstrate and clarify how to apply the scope guidance to determine whether profits interests and similar awards should be accounted for as a share-based payment arrangement under ASC 718 or another standard. ASU 2024-01 will be effective for KKR's reporting period ended March 31, 2025. KKR is currently evaluating the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09 "Improvements to Income Tax Disclosures" ("ASU 2023-09"). ASU 2023-09 intends to enhance the transparency and decision usefulness of income tax disclosures, requiring disaggregated information about an entity's effective tax rate reconciliation as well as income taxes paid. This is effective for fiscal years beginning after December 15, 2024. KKR is currently evaluating the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

Notes to Financial Statements (Continued)

3. REVENUES - ASSET MANAGEMENT AND STRATEGIC HOLDINGS

For the three months ended March 31, 2024 and 2023, respectively, Asset Management and Strategic Holdings revenues consisted of the following:

	Three Months Ended March 31,	
	2024	2023
Management Fees	\$ 486,754	\$ 453,093
Fee Credits	(94,046)	(57,531)
Transaction Fees	218,618	209,839
Monitoring Fees	48,967	29,853
Incentive Fees	6,626	6,413
Expense Reimbursements	8,093	15,544
Consulting Fees	18,514	19,805
Total Fees and Other	693,526	677,016
Carried Interest	1,144,928	343,070
General Partner Capital Interest	118,014	105,948
Total Capital Allocation-Based Income (Loss)	1,262,942	449,018
Total Revenues	\$ 1,956,468	\$ 1,126,034

Notes to Financial Statements (Continued)

4. NET GAINS (LOSSES) FROM INVESTMENT ACTIVITIES - ASSET MANAGEMENT AND STRATEGIC HOLDINGS

Net Gains (Losses) from Investment Activities in the consolidated statements of operations consist primarily of the realized and unrealized gains and losses on investments (including foreign exchange gains and losses attributable to foreign denominated investments and related activities) and other financial instruments, including those for which the fair value option has been elected. Unrealized gains or losses result from changes in the fair value of these investments and other financial instruments during a period. Upon disposition of an investment or financial instrument, previously recognized unrealized gains or losses are reversed and an offsetting realized gain or loss is recognized in the current period.

The following table summarizes total Net Gains (Losses) from Investment Activities:

Three Months Ended March 31, 2024			
	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total
Private Equity ⁽¹⁾	\$ (12,676)	\$ 348,441	\$ 335,765
Credit ⁽¹⁾	57,430	(81,451)	(24,021)
Investments of Consolidated CFEs ⁽¹⁾	5,005	96,973	101,978
Real Assets ⁽¹⁾	(109,398)	(105,223)	(214,621)
Equity Method - Other ⁽¹⁾	102,903	87,540	190,443
Other Investments ⁽¹⁾	(269,858)	345,478	75,620
Foreign Exchange Forward Contracts and Options ⁽²⁾	35,139	148,203	183,342
Securities Sold Short ⁽²⁾	(7,169)	(2,093)	(9,262)
Other Derivatives ⁽²⁾	87	2,363	2,450
Debt Obligations and Other ⁽³⁾	7,632	(11,164)	(3,532)
Net Gains (Losses) From Investment Activities	\$ (190,905)	\$ 829,067	\$ 638,162

Three Months Ended March 31, 2023			
	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total
Private Equity ⁽¹⁾	\$ 199,081	\$ (36,664)	\$ 162,417
Credit ⁽¹⁾	(22,963)	104,775	81,812
Investments of Consolidated CFEs ⁽¹⁾	(5,017)	317,881	312,864
Real Assets ⁽¹⁾	9,434	(325,909)	(316,475)
Equity Method - Other ⁽¹⁾	39,219	29,505	68,724
Other Investments ⁽¹⁾	(112,663)	(519)	(113,182)
Foreign Exchange Forward Contracts and Options ⁽²⁾	(58,635)	36,269	(22,366)
Securities Sold Short ⁽²⁾	(3,475)	2,241	(1,234)
Other Derivatives ⁽²⁾	(2,122)	14,330	12,208
Debt Obligations and Other ⁽³⁾	56,521	(400,698)	(344,177)
Net Gains (Losses) From Investment Activities	\$ 99,380	\$ (258,789)	\$ (159,409)

(1) See Note 7 "Investments."

(2) See Note 8 "Derivatives" and Note 14 "Other Assets and Accrued Expenses and Other Liabilities."

(3) See Note 16 "Debt Obligations."

Notes to Financial Statements (Continued)

5. NET INVESTMENT INCOME - INSURANCE

Net investment income for Global Atlantic is comprised primarily of interest income, including amortization of premiums and accretion of discounts, based on yields that change due to expectations in projected cash flows, dividend income from common and preferred stock, earnings from investments accounted for under equity method accounting, and lease income on other investments.

The components of net investment income were as follows:

	Three Months Ended March 31,	
	2024	2023
Fixed maturity securities – interest and other income	\$ 1,327,010	\$ 1,050,796
Mortgage and other loan receivables	559,682	459,146
Investments in transportation and other leased assets	78,460	76,188
Investments in renewable energy	13,591	20,583
Investments in real estate	45,979	36,101
Short-term and other investment income	167,331	77,616
Income assumed from funds withheld receivable at interest	22,233	22,101
Policy loans	24,503	10,277
Income ceded to funds withheld payable at interest	(519,999)	(301,223)
Gross investment income	1,718,790	1,451,585
<i>Less investment expenses:</i>		
Investment management and administration	117,089	85,341
Transportation and renewable energy asset depreciation and maintenance	50,151	49,162
Interest expense on derivative collateral and repurchase agreements	31,648	16,385
Net investment income	\$ 1,519,902	\$ 1,300,697

6. NET INVESTMENT-RELATED GAINS (LOSSES) - INSURANCE

Net investment-related gains (losses) from insurance operations primarily consists of (i) realized gains (losses) from the disposal of investments, (ii) unrealized gains (losses) from investments held for trading, equity securities, real estate investments accounted for under investment company accounting, and investments with fair value remeasurements recognized in earnings as a result of the election of a fair-value option, (iii) unrealized gains (losses) on funds withheld receivable and payable at interest, (iv) unrealized gains (losses) from derivatives (excluding certain derivatives designated as hedge accounting instruments), and (v) allowances for credit losses, and other impairments of investments.

Net investment-related gains (losses) were as follows:

	Three Months Ended March 31,	
	2024	2023
Realized (losses) gains on available-for-sale fixed maturity debt securities	\$ (28,157)	\$ 3,432
Credit loss allowances on available-for-sale securities	29,367	(76,318)
Credit loss allowances on mortgage and other loan receivables	(126,902)	(64,111)
Allowances on unfunded commitments	(4,578)	(8,000)
Impairment of available-for-sale fixed maturity debt securities due to intent to sell	—	(26,741)
Unrealized (losses) gains on fixed maturity securities classified as trading	(99,579)	376,290
Unrealized losses on investments recognized under the fair-value option	(42,207)	(55,773)
Unrealized (losses) gains on real estate investments recognized at fair value under investment company accounting	(78,011)	63,192
Net gains (losses) on derivative instruments	100,968	(348,225)
Realized gains on funds withheld payable at interest portfolio	24,287	3,980
Realized (losses) gains on funds withheld receivable at interest portfolio	(2,286)	17,733
Other realized losses	(14,388)	(9,292)
Net investment-related gains (losses)	\$ (241,486)	\$ (123,833)

Notes to Financial Statements (Continued)

Allowance for credit losses

Available-for-sale fixed maturity securities

The table below presents a roll-forward of the allowance for credit losses recognized for fixed maturity securities held by Global Atlantic:

	Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
	Corporate	Structured	Total	Corporate	Structured	Total
Balance, as of beginning of period	\$ 49,008	\$ 219,704	\$ 268,712	\$ 1,298	\$ 127,034	\$ 128,332
Initial credit loss allowance recognized on securities with no previously recognized allowance	8,694	877	9,571	151	45,200	45,351
Accretion of initial credit loss allowance on PCD securities	—	163	163	—	351	351
Reductions due to sales (or maturities, pay downs or prepayments) during the period of securities with a previously recognized credit loss allowance	(60)	(5,859)	(5,919)	—	(3,887)	(3,887)
Net additions / reductions for securities with a previously recognized credit loss allowance	(5,094)	(33,844)	(38,938)	—	30,967	30,967
Balances charged off	(23,629)	—	(23,629)	—	—	—
Balance, as of end of period	\$ 28,919	\$ 181,041	\$ 209,960	\$ 1,449	\$ 199,665	\$ 201,114

Mortgage and other loan receivables

Changes in the allowance for credit losses on mortgage and other loan receivables held by Global Atlantic are summarized below:

	Three Months Ended March 31, 2024				Three Months Ended March 31, 2023			
	Commercial Mortgage Loans	Residential Mortgage Loans	Consumer and Other Loan Receivables	Total	Commercial Mortgage Loans	Residential Mortgage Loans	Consumer and Other Loan Receivables	Total
Balance, as of beginning of period	\$ 319,631	\$ 107,204	\$ 175,608	\$ 602,443	\$ 227,315	\$ 125,824	\$ 207,089	\$ 560,228
Net provision (release)	57,156	(5,141)	74,887	126,902	20,111	10,316	33,684	64,111
Charge-offs	(16,379)	(639)	(41,439)	(58,457)	—	(1,693)	(35,372)	(37,065)
Recoveries of amounts previously charged-off	—	—	5,108	5,108	—	—	1,826	1,826
Balance, as of end of period	\$ 360,408	\$ 101,424	\$ 214,164	\$ 675,996	\$ 247,426	\$ 134,447	\$ 207,227	\$ 589,100

Proceeds and gross gains and losses from voluntary sales

The proceeds from voluntary sales and the gross gains and losses on those sales of available-for-sale ("AFS") fixed maturity securities were as follows:

	Three Months Ended March 31,	
	2024	2023
AFS fixed maturity securities:		
Proceeds from voluntary sales	\$ 1,999,289	\$ 1,406,925
Gross gains	\$ 8,359	\$ 15,464
Gross losses	\$ (16,544)	\$ (10,044)

Notes to Financial Statements (Continued)

7. INVESTMENTS

Investments consist of the following:

	March 31, 2024	December 31, 2023
<i>Asset Management and Strategic Holdings</i>		
Private Equity	\$ 33,672,500	\$ 32,742,484
Credit	8,401,513	8,274,904
Investments of Consolidated CFEs	24,961,635	24,996,298
Real Assets	11,973,032	12,000,008
Equity Method - Other	8,217,489	8,163,831
Equity Method - Capital Allocation-Based Income	8,950,579	7,877,904
Other Investments	4,517,239	4,579,372
Investments - Asset Management and Strategic Holdings	<u>\$ 100,693,987</u>	<u>\$ 98,634,801</u>
<i>Insurance</i>		
Fixed maturity securities, available-for-sale, at fair value ⁽¹⁾	\$ 74,048,277	\$ 69,414,188
Mortgage and other loan receivables	41,215,981	39,177,927
Fixed maturity securities, trading, at fair value ⁽²⁾	27,984,949	18,805,470
Other investments	10,241,161	9,683,326
Funds withheld receivable at interest	2,673,723	2,713,645
Policy loans	1,561,608	1,556,030
Equity securities at fair value	21,471	19,737
Investments - Insurance	<u>\$ 157,747,170</u>	<u>\$ 141,370,323</u>
Total Investments	<u>\$ 258,441,157</u>	<u>\$ 240,005,124</u>

(1) Amortized cost of \$ 83.5 billion and \$ 78.7 billion, net of credit loss allowances of \$ 210.0 million and \$ 268.7 million, respectively.

(2) Amortized cost of \$ 29.8 billion and \$ 20.5 billion, respectively. Trading fixed maturity securities are held to back funds withheld payable at interest. The investment performance on these investments are ceded to third-party reinsurers.

As of March 31, 2024 and December 31, 2023, there were no investments which represented greater than 5 % of total investments.

Notes to Financial Statements (Continued)

Fixed maturity securities

The cost or amortized cost and fair value for AFS fixed maturity securities were as follows:

As of March 31, 2024	Cost or amortized	Allowance for	Gross unrealized		Fair value
	cost	Credit Losses ⁽¹⁾⁽²⁾	gains	losses	
AFS fixed maturity securities portfolio by type:					
U.S. government and agencies	\$ 3,621,287	\$ —	\$ 43,351	\$ (81,879)	\$ 3,582,759
U.S. state, municipal and political subdivisions	5,530,066	—	23,263	(1,011,431)	4,541,898
Corporate	46,971,213	(28,919)	163,284	(6,850,383)	40,255,195
Residential mortgage-backed securities, or "RMBS"	10,497,867	(122,870)	31,290	(715,753)	9,690,534
Commercial mortgage-backed securities, or "CMBS"	7,846,132	(35,630)	9,321	(581,330)	7,238,493
Collateralized bond obligations, or "CBOs"	2,839,214	(1,197)	—	(142,271)	2,695,746
CLOs	3,341,591	(9,649)	10,521	(42,526)	3,299,937
Asset-backed securities, or "ABSs"	2,874,043	(11,695)	17,654	(136,287)	2,743,715
Total AFS fixed maturity securities	\$ 83,521,413	\$ (209,960)	\$ 298,684	\$ (9,561,860)	\$ 74,048,277

(1) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of operations (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(2) Includes credit loss allowances on purchase-credit deteriorated fixed-maturity securities of \$(10.7) million.

As of December 31, 2023	Cost or amortized cost	Allowance for Credit Losses ⁽¹⁾⁽²⁾	Gross unrealized		Fair value
			gains	losses	
AFS fixed maturity securities portfolio by type:					
U.S. government and agencies	\$ 1,209,507	\$ —	\$ 62,514	\$ (68,929)	\$ 1,203,092
U.S. state, municipal and political subdivisions	5,562,826	—	29,699	(985,133)	4,607,392
Corporate	46,378,337	(49,008)	211,570	(6,592,143)	39,948,756
RMBS	8,734,629	(152,067)	38,206	(674,550)	7,946,218
CMBS	7,491,743	(35,953)	4,195	(731,358)	6,728,627
CBOs	2,951,511	(1,214)	—	(143,818)	2,806,479
CLOs	3,493,731	(19,077)	6,483	(52,365)	3,428,772
ABSs	2,901,573	(11,393)	14,358	(159,686)	2,744,852
Total AFS fixed maturity securities	\$ 78,723,857	\$ (268,712)	\$ 367,025	\$ (9,407,982)	\$ 69,414,188

(1) Represents the cumulative amount of credit impairments that have been recognized in the consolidated statements of operations (as net investment (losses) gains) or that were recognized as a gross-up of the purchase price of PCD securities. Amount excludes unrealized losses related to non-credit impairment.

(2) Includes credit loss allowances on purchase-credit deteriorated fixed-maturity securities of \$(12.8) million.

Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties, or Global Atlantic may have the right to put or sell the obligations back to the issuers. Structured securities are shown separately as they have periodic payments and are not due at a single maturity.

Notes to Financial Statements (Continued)

The maturity distribution for AFS fixed maturity securities is as follows:

As of March 31, 2024	Cost or amortized cost (net of allowance)	Fair value
Due in one year or less	\$ 1,582,351	\$ 1,527,973
Due after one year through five years	14,708,223	14,259,600
Due after five years through ten years	8,802,878	8,289,300
Due after ten years	31,000,195	24,302,979
Subtotal	56,093,647	48,379,852
RMBS	10,374,997	9,690,534
CMBS	7,810,502	7,238,493
CBOs	2,838,017	2,695,746
CLOs	3,331,942	3,299,937
ABSs	2,862,348	2,743,715
Total AFS fixed maturity securities	\$ 83,311,453	\$ 74,048,277

Securities in a continuous unrealized loss position

The following tables provide information about AFS fixed maturity securities that have been continuously in an unrealized loss position:

As of March 31, 2024	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
AFS fixed maturity securities portfolio by type:						
U.S. government and agencies	\$ 683,724	\$ (11,291)	\$ 194,595	\$ (70,588)	\$ 878,319	\$ (81,879)
U.S. state, municipal and political subdivisions	158,009	(3,405)	3,748,828	(1,008,026)	3,906,837	(1,011,431)
Corporate	4,496,293	(175,062)	26,091,489	(6,675,321)	30,587,782	(6,850,383)
RMBS	2,844,225	(86,123)	4,342,132	(629,630)	7,186,357	(715,753)
CMBS	271,541	(1,838)	5,962,927	(579,492)	6,234,468	(581,330)
CBOs	1,817	(169)	2,693,929	(142,102)	2,695,746	(142,271)
CLOs	591,577	(1,202)	619,979	(41,324)	1,211,556	(42,526)
ABSs	322,632	(8,046)	1,789,721	(128,241)	2,112,353	(136,287)
Total AFS fixed maturity securities in a continuous loss position	\$ 9,369,818	\$ (287,136)	\$ 45,443,600	\$ (9,274,724)	\$ 54,813,418	\$ (9,561,860)

As of December 31, 2023	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
AFS fixed maturity securities portfolio by type:						
U.S. government and agencies	\$ 94,807	\$ (2,512)	\$ 198,750	\$ (66,417)	\$ 293,557	\$ (68,929)
U.S. state, municipal and political subdivisions	112,468	(4,140)	3,829,447	(980,993)	3,941,915	(985,133)
Corporate	4,360,234	(189,026)	27,108,292	(6,403,117)	31,468,526	(6,592,143)
RMBS	1,371,230	(66,550)	4,354,902	(608,000)	5,726,132	(674,550)
CMBS	332,095	(4,535)	6,031,766	(726,823)	6,363,861	(731,358)
CBOs	1,867	(118)	2,804,612	(143,700)	2,806,479	(143,818)
CLOs	246,728	(868)	1,679,813	(51,497)	1,926,541	(52,365)
ABSs	553,438	(15,760)	1,742,373	(143,926)	2,295,811	(159,686)
Total AFS fixed maturity securities in a continuous loss position	\$ 7,072,867	\$ (283,509)	\$ 47,749,955	\$ (9,124,473)	\$ 54,822,822	\$ (9,407,982)

Notes to Financial Statements (Continued)

Unrealized gains and losses can be created by changing interest rates or several other factors, including changing credit spreads. Global Atlantic had gross unrealized losses on below investment grade AFS fixed maturity securities of \$ 647.8 million and \$ 694.6 million as of March 31, 2024 and December 31, 2023, respectively. The single largest unrealized loss on AFS fixed maturity securities was \$ 53.1 million and \$ 53.4 million as of March 31, 2024 and December 31, 2023, respectively. Global Atlantic had 5,940 and 5,886 securities in an unrealized loss position as of March 31, 2024 and December 31, 2023, respectively.

As of March 31, 2024, AFS fixed maturity securities in an unrealized loss position for 12 months or more consisted of 4,875 debt securities. These debt securities primarily relate to Corporate, RMBS, and U.S. state, municipal and political subdivisions fixed maturity securities, which have depressed values due primarily to an increase in interest rates since the purchase of these securities. Unrealized losses were not recognized in net income on these debt securities since Global Atlantic neither intends to sell the securities nor does it believe that it is more likely than not that it will be required to sell these securities before recovery of their cost or amortized cost basis. For securities with significant declines in value, individual security level analysis was performed utilizing underlying collateral default expectations, market data and industry analyst reports.

Mortgage and other loan receivables

Mortgage and other loan receivables consist of the following:

	March 31, 2024	December 31, 2023
Commercial mortgage loans ⁽¹⁾	\$ 22,159,689	\$ 21,861,245
Residential mortgage loans ⁽¹⁾	14,728,782	12,722,778
Consumer loans	4,225,078	4,424,882
Other loan receivables ⁽²⁾	778,428	771,465
Total mortgage and other loan receivables	41,891,977	39,780,370
Allowance for credit losses ⁽³⁾	(675,996)	(602,443)
Total mortgage and other loan receivables, net of allowance for credit losses	\$ 41,215,981	\$ 39,177,927

(1) Includes \$ 686.9 million and \$ 697.4 million of loans carried at fair value using the fair value option as of March 31, 2024 and December 31, 2023, respectively. The fair value option was elected for these loans for asset-liability matching purposes. These loans had unpaid principal balances of \$ 779.8 million and \$ 785.2 million as of March 31, 2024 and December 31, 2023, respectively.

(2) As of March 31, 2024 and December 31, 2023, other loan receivables consisted primarily of loans collateralized by aircraft of \$ 337.0 million and \$ 315.4 million, respectively, and loans collateralized by residential mortgages of \$ 200 million.

(3) Includes credit loss allowances on purchase-credit deteriorated mortgage and other loan receivables of \$(86.5) million and \$(91.7) million as of March 31, 2024 and December 31, 2023, respectively.

The maturity distribution for residential and commercial mortgage loans was as follows as of March 31, 2024:

Years	Residential	Commercial	Total mortgage loans
Remainder of 2024	\$ 87,916	\$ 2,248,670	\$ 2,336,586
2025	14,602	3,780,919	3,795,521
2026	767,423	6,547,221	7,314,644
2027	802,349	3,560,252	4,362,601
2028	135,238	1,448,707	1,583,945
2029	13,882	672,159	686,041
Thereafter	12,907,372	3,901,761	16,809,133
Total	\$ 14,728,782	\$ 22,159,689	\$ 36,888,471

Actual maturities could differ from contractual maturities because borrowers may have the right to prepay (with or without prepayment penalties) and loans may be refinanced.

Notes to Financial Statements (Continued)

Global Atlantic diversifies its mortgage loan portfolio by both geographic region and property type to reduce concentration risk. The following tables present the mortgage loans by geographic region and property type:

Mortgage loans – carrying value by geographic region			March 31, 2024		December 31, 2023	
Pacific	\$	9,339,086	25.3 %	\$	8,649,256	25.0 %
West South Central		4,646,656	12.6 %		4,202,501	12.2 %
South Atlantic		10,251,281	27.8 %		9,653,955	27.9 %
Middle Atlantic		4,658,931	12.6 %		4,436,129	12.8 %
East North Central		1,241,368	3.4 %		1,166,460	3.4 %
Mountain		3,390,723	9.2 %		3,262,801	9.4 %
New England		1,510,263	4.1 %		1,470,741	4.3 %
East South Central		791,429	2.1 %		731,053	2.1 %
West North Central		412,522	1.1 %		358,609	1.0 %
Other regions		646,212	1.8 %		652,518	1.9 %
Total by geographic region	\$	36,888,471	100.0 %	\$	34,584,023	100.0 %

Mortgage loans – carrying value by property type			March 31, 2024		December 31, 2023	
Residential	\$	14,728,782	39.9 %	\$	12,722,778	36.8 %
Office building		4,585,908	12.4 %		4,586,277	13.3 %
Multi-family		11,463,511	31.1 %		11,495,638	33.2 %
Industrial		4,514,193	12.2 %		4,415,819	12.8 %
Retail		493,402	1.3 %		493,596	1.4 %
Warehouse		304,257	0.8 %		291,116	0.8 %
Other property types		798,418	2.3 %		578,799	1.7 %
Total by property type	\$	36,888,471	100.0 %	\$	34,584,023	100.0 %

As of March 31, 2024 and December 31, 2023, Global Atlantic had \$ 586.6 million and \$ 510.9 million of mortgage loans that were 90 days or more past due or are in the process of foreclosure, respectively, and have been classified as non-income producing (non-accrual status). Global Atlantic ceases accrual of interest on loans that are more than 90 days past due or are in the process of foreclosure and recognizes income as cash is received.

Notes to Financial Statements (Continued)

Credit quality indicators

Mortgage and loan receivable performance status

The following table represents the portfolio of mortgage and loan receivables by origination year and performance status as of March 31, 2024 and December 31, 2023:

Performance status as of March 31, 2024	By year of origination						
	2024	2023	2022	2021	2020	Prior	Total
Commercial mortgage loans							
Gross charge-offs for the three months ended March 31, 2024	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (16,379)	\$ (16,379)
Current	\$ 305,720	\$ 3,604,283	\$ 6,371,836	\$ 6,558,483	\$ 624,212	\$ 4,291,434	\$ 21,755,968
30 to 59 days past due	—	—	—	45,651	—	—	45,651
60 to 89 days past due	—	—	—	—	—	9,494	9,494
90 days or more past due or in process of foreclosure	—	—	—	225,345	36,890	86,341	348,576
Total commercial mortgage loans	\$ 305,720	\$ 3,604,283	\$ 6,371,836	\$ 6,829,479	\$ 661,102	\$ 4,387,269	\$ 22,159,689
Residential mortgage loans							
Gross charge-offs for the three months ended March 31, 2024	\$ —	\$ (7)	\$ (47)	\$ (165)	\$ —	\$ (420)	\$ (639)
Current	\$ 924,330	\$ 3,824,892	\$ 1,975,866	\$ 4,446,268	\$ 1,395,241	\$ 1,620,715	\$ 14,187,312
30 to 59 days past due	—	74,901	29,106	42,586	2,629	97,015	246,237
60 to 89 days past due	—	7,956	4,341	13,765	1,042	30,082	57,186
90 days or more past due or in process of foreclosure	—	7,486	22,251	72,722	12,693	122,895	238,047
Total residential mortgage loans	\$ 924,330	\$ 3,915,235	\$ 2,031,564	\$ 4,575,341	\$ 1,411,605	\$ 1,870,707	\$ 14,728,782
Consumer loans							
Gross charge-offs for the three months ended March 31, 2024	\$ —	\$ (468)	\$ (5,390)	\$ (21,344)	\$ (5,878)	\$ (8,296)	\$ (41,376)
Current	\$ 352	\$ 128,601	\$ 470,761	\$ 1,638,834	\$ 666,875	\$ 1,209,943	\$ 4,115,366
30 to 59 days past due	—	817	4,100	26,119	4,216	16,359	51,611
60 to 89 days past due	—	226	2,635	11,742	2,391	8,601	25,595
90 days or more past due or in process of foreclosure	—	1,033	4,163	13,223	4,003	10,084	32,506
Total consumer loans	\$ 352	\$ 130,677	\$ 481,659	\$ 1,689,918	\$ 677,485	\$ 1,244,987	\$ 4,225,078
Total mortgage and consumer loan receivables	\$ 1,230,402	\$ 7,650,195	\$ 8,885,059	\$ 13,094,738	\$ 2,750,192	\$ 7,502,963	\$ 41,113,549

Notes to Financial Statements (Continued)

Performance status as of December 31, 2023	By year of origination						
	2023	2022	2021	2020	2019	Prior	Total
Commercial mortgage loans							
Gross charge-offs for the year ended December 31, 2023	\$ —	\$ —	\$ —	\$ —	\$ (14,000)	\$ (7,616)	\$ (21,616)
Current	\$ 3,600,652	\$ 6,278,419	\$ 6,633,293	\$ 624,457	\$ 1,395,717	\$ 2,969,381	\$ 21,501,919
30 to 59 days past due	—	—	—	—	—	—	—
60 to 89 days past due	—	—	—	—	—	79,635	79,635
90 days or more past due or in process of foreclosure	—	—	182,069	36,859	—	60,763	279,691
Total commercial mortgage loans	\$ 3,600,652	\$ 6,278,419	\$ 6,815,362	\$ 661,316	\$ 1,395,717	\$ 3,109,779	\$ 21,861,245
Residential mortgage loans							
Gross charge-offs for the year ended December 31, 2023	\$ (6)	\$ (1,228)	\$ (2,244)	\$ (913)	\$ (1,412)	\$ (2,373)	\$ (8,176)
Current	\$ 2,794,600	\$ 1,981,373	\$ 4,518,357	\$ 1,358,200	\$ 221,566	\$ 1,365,231	\$ 12,239,327
30 to 59 days past due	43,432	22,291	37,082	3,554	5,461	84,079	195,899
60 to 89 days past due	8,467	8,520	9,991	1,437	1,389	26,565	56,369
90 days or more past due or in process of foreclosure	2,518	19,326	72,753	12,048	9,265	115,273	231,183
Total residential mortgage loans	\$ 2,849,017	\$ 2,031,510	\$ 4,638,183	\$ 1,375,239	\$ 237,681	\$ 1,591,148	\$ 12,722,778
Consumer loans							
Gross charge-offs for the year ended December 31, 2023	\$ (185)	\$ (18,117)	\$ (83,147)	\$ (23,273)	\$ (15,740)	\$ (19,783)	\$ (160,245)
Current	\$ 109,393	\$ 497,113	\$ 1,726,280	\$ 701,655	\$ 610,988	\$ 656,270	\$ 4,301,699
30 to 59 days past due	1,707	4,229	28,966	5,082	4,497	12,686	57,167
60 to 89 days past due	1,193	2,548	14,872	3,298	2,561	6,756	31,228
Over 90 days past due	2,597	3,991	13,461	4,281	3,907	6,551	34,788
Total consumer loans	114,890	507,881	1,783,579	714,316	621,953	682,263	4,424,882
Total mortgage and consumer loan receivables	\$ 6,564,559	\$ 8,817,810	\$ 13,237,124	\$ 2,750,871	\$ 2,255,351	\$ 5,383,190	\$ 39,008,905

Loan-to-value ratio on mortgage loans

The loan-to-value ratio is expressed as a percentage of the current amount of the loan relative to the value of the underlying collateral. The following table summarizes Global Atlantic's loan-to-value ratios for its commercial mortgage loans as of March 31, 2024 and December 31, 2023:

Loan-to-value as of March 31, 2024, by year of origination	Carrying value loan-to-value 70% and less	Carrying value loan-to-value 71% - 90%	Carrying value loan-to-value over 90%	Total carrying value
2024	\$ 305,720	\$ —	\$ —	\$ 305,720
2023	3,604,283	—	—	3,604,283
2022	6,005,991	365,845	—	6,371,836
2021	4,832,069	1,554,835	442,575	6,829,479
2020	496,247	92,789	72,066	661,102
2019	1,252,234	54,992	37,695	1,344,921
Prior	2,814,723	53,510	174,115	3,042,348
Total commercial mortgage loans	\$ 19,311,267	\$ 2,121,971	\$ 726,451	\$ 22,159,689

Notes to Financial Statements (Continued)

Loan-to-value as of December 31, 2023, by year of origination	Carrying value loan-to-value 70% and less	Carrying value loan-to-value 71% - 90%	Carrying value loan-to-value over 90%	Total carrying value
2023	\$ 3,600,652	\$ —	\$ —	\$ 3,600,652
2022	5,912,623	365,796	—	6,278,419
2021	5,110,011	1,483,763	221,588	6,815,362
2020	496,085	93,210	72,021	661,316
2019	1,257,983	93,661	44,073	1,395,717
2018	881,620	52,640	114,989	1,049,249
Prior	1,991,780	—	68,750	2,060,530
Total commercial mortgage loans	\$ 19,250,754	\$ 2,089,070	\$ 521,421	\$ 21,861,245

Changing economic conditions and updated assumptions affect Global Atlantic's assessment of the collectibility of commercial mortgage loans. Changing vacancies and rents are incorporated into the analysis that Global Atlantic performs to measure the allowance for credit losses. In addition, Global Atlantic continuously monitors its commercial mortgage loan portfolio to identify risk. Areas of emphasis are properties that have exposure to specific geographic events or have deteriorating credit.

The weighted average loan-to-value ratio for Global Atlantic's residential mortgage loans was 64 % and 63 % as of March 31, 2024 and December 31, 2023, respectively.

Loan modifications

Global Atlantic may modify the terms of a loan when the borrower is experiencing financial difficulties, as a means to optimize recovery of amounts due on the loan. Modifications may involve temporary relief, such as payment forbearance for a short period time (where interest continues to accrue) or may involve more substantive changes to a loan. Changes to the terms of a loan, pursuant to a modification agreement, are factored into the analysis of the loan's expected credit losses, under the allowance model applicable to the loan.

For commercial mortgage loans, modifications for borrowers experiencing financial difficulty are tailored for individual loans and may include interest rate relief, maturity extensions or, less frequently, principal forgiveness. For both residential mortgage loans and consumer loans, the most common modifications for borrowers experiencing financial difficulty, aside from insignificant delays in payment, typically involve deferral of missed payments to the end of the loan term, interest rate relief, or maturity extensions.

The tables below present the carrying value of loans to borrowers experiencing financial difficulty, for which modifications have been granted during the three months ended March 31, 2024 and 2023:

Three months ended March 31, 2024 by loan type	Deferral of Amounts Due	Interest Rate Relief	Maturity Extension	Combination ⁽¹⁾	Total	Percentage of total carrying value outstanding
Commercial mortgage loans	\$ —	\$ —	\$ —	\$ 37,695	\$ 37,695	0.17 %
Residential mortgage loans	2,649	—	8,150	5,334	16,133	0.11 %
Consumer loans	965	522	11,985	9,036	22,508	0.53 %
Total	\$ 3,614	\$ 522	\$ 20,135	\$ 52,065	\$ 76,336	

(1) Includes modifications involving a combination of deferral of amounts due, interest rate relief, or maturity extension.

Three months ended March 31, 2023 by loan type	Deferral of Amounts Due	Interest Rate Relief	Maturity Extension	Combination ⁽¹⁾	Total	Percentage of total carrying value outstanding
Commercial mortgage loans	\$ —	\$ —	\$ —	\$ 66,813	\$ 66,813	0.35 %
Residential mortgage loans	725	190	28,686	522	30,123	0.28 %
Consumer loans	1,251	—	—	—	1,251	0.03 %
Total	\$ 1,976	\$ 190	\$ 28,686	\$ 67,335	\$ 98,187	

(1) Includes modifications involving a combination of deferral of amounts due, interest rate relief, or maturity extension.

Notes to Financial Statements (Continued)

All of the commercial mortgage loans that had a combination of modifications had both interest rate relief and maturity extensions. For these loans, the interest rate relief generally involved either a change from a floating rate or a decrease in fixed rate to a weighted average rate of 3.0 % and 5.5 %, for the three months ended March 31, 2024 and 2023, respectively. The maturity extensions for these loans added a weighted-average of 3.0 years and 1.0 year to the life of the loans, for the three months ended March 31, 2024 and 2023, respectively. As of March 31, 2024, Global Atlantic has commitments to lend additional funds of \$ 3.8 million for the modified commercial mortgage loans disclosed above.

The table below presents the performance status of the loans modified during the twelve months ended March 31, 2024:

Performance status as of March 31, 2024 by loan type	90 days or more past due or in process of foreclosure					Total
	Current	30-59 days past due	60-89 days past due			
Commercial mortgage loans	\$ 490,584	\$ —	\$ —	\$ —	\$ —	\$ 490,584
Residential mortgage loans	21,581	2,758	828		10,669	35,836
Consumer loans	56,993	9,163	3,399		2,605	72,160
Total⁽¹⁾	\$ 569,158	\$ 11,921	\$ 4,227	\$ 13,274	\$ —	\$ 598,580

(1) Loans may have been modified more than once during the twelve months period; in this circumstance, the loan is only included once in this table. In addition, certain loans that were modified in prior quarters have since been repaid in full.

Other investments

Other investments consist of the following:

	March 31, 2024	December 31, 2023
Investments in real estate ⁽¹⁾	\$ 4,737,200	\$ 4,778,431
Investments in renewable energy ⁽²⁾	1,326,992	1,348,080
Investments in transportation and other leased assets ⁽³⁾	3,013,664	2,972,469
Other investment funds and partnerships	753,742	179,469
Federal Home Loan Bank (FHLB) common stock and other investments	409,563	404,877
Total other investments	\$ 10,241,161	\$ 9,683,326

(1) Investments in real estate are held in consolidated investment companies that use fair value accounting.

(2) Net of accumulated depreciation attributed to consolidated renewable energy assets of \$ 163.5 million and \$ 154.1 million as of March 31, 2024 and December 31, 2023, respectively.

(3) Net of accumulated depreciation of \$ 342.9 million and \$ 313.6 million as of March 31, 2024 and December 31, 2023, respectively.

The total amount of other investments accounted for using the equity method of accounting was \$ 762.1 million and \$ 143.3 million as of March 31, 2024 and December 31, 2023, respectively. Global Atlantic's maximum exposure to loss related to these equity method investments is limited to the carrying value of these investments plus unfunded commitments of \$ 23.7 million and \$ 19.7 million as of March 31, 2024 and December 31, 2023, respectively.

In addition, Global Atlantic has investments that would otherwise require the equity method of accounting for which the fair value option has been elected. The carrying amount of these investments was \$ 138.5 million and \$ 175.3 million as of March 31, 2024 and December 31, 2023, respectively.

Repurchase agreement transactions

As of March 31, 2024 and December 31, 2023, Global Atlantic participated in repurchase agreements with a notional value of \$ 843.2 million and \$ 1.4 billion, respectively. As collateral for these transactions, Global Atlantic typically posts AFS fixed maturity securities and residential mortgage loans, which are included in Insurance - Investments in the consolidated statements of financial condition. The gross obligation for repurchase agreements is reported in other liabilities in the consolidated statements of financial condition.

Notes to Financial Statements (Continued)

The carrying value of assets pledged for repurchase agreements by type of collateral and remaining contractual maturity of the repurchase agreements as of March 31, 2024 and December 31, 2023 is presented in the following tables:

As of March 31, 2024	Overnight	<30 Days	30 - 90 Days	> 90 Days	Total
AFS corporate securities	\$ —	\$ —	\$ 836,566	\$ 979	\$ 837,545
Residential mortgage loans	—	224	25,735	26,513	52,472
Total assets pledged	\$ —	\$ 224	\$ 862,301	\$ 27,492	\$ 890,017

As of December 31, 2023	Overnight	<30 Days	30 - 90 Days	> 90 Days	Total
AFS corporate securities	\$ —	\$ —	\$ 524,411	\$ 849,368	\$ 1,373,779
Residential mortgage loans	—	39,289	—	—	39,289
Total assets pledged	\$ —	\$ 39,289	\$ 524,411	\$ 849,368	\$ 1,413,068

Other pledges and restrictions

Certain Global Atlantic subsidiaries are members of regional banks in the FHLB system and such membership requires the members to own stock in these FHLBs. Global Atlantic owns an aggregate of \$ 131.7 million (accounted for at cost basis) of stock in FHLBs as of both March 31, 2024 and December 31, 2023. In addition, Global Atlantic insurance company subsidiaries have entered into funding agreements with the FHLB, which require that Global Atlantic pledge eligible assets, such as fixed maturity securities and mortgage loans, as collateral. Assets pledged as collateral for these funding agreements had a carrying value of \$ 3.5 billion and \$ 3.6 billion as of March 31, 2024 and December 31, 2023, respectively.

Insurance – statutory deposits

As of March 31, 2024 and December 31, 2023, the carrying value of the assets on deposit with various state and U.S. governmental authorities were \$ 146.0 million and \$ 148.5 million, respectively.

8. DERIVATIVES

Asset Management and Strategic Holdings

KKR and certain of its consolidated funds have entered into derivative transactions as part of its overall risk management for its investment strategies. These derivative contracts are not designated as hedging instruments for accounting purposes. Such contracts may include forward, swap and option contracts related to foreign currencies and interest rates to manage foreign exchange risk and interest rate risk arising from certain assets and liabilities. All derivatives are recognized in Other Assets or Accrued Expenses and Other Liabilities and are presented on a gross basis in the consolidated statements of financial condition and measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. KKR's derivative financial instruments contain credit risk to the extent that its counterparties may be unable to meet the terms of the agreements. KKR attempts to reduce this risk by limiting its counterparties to major financial institutions with strong credit ratings.

Insurance

Global Atlantic holds derivative instruments that are primarily used in its hedge program. Global Atlantic has established a hedge program that seeks to mitigate economic impacts primarily from interest rate and equity price movements, while taking into consideration accounting and capital impacts.

Global Atlantic hedges interest rate and equity market risks associated with its insurance liabilities including fixed-indexed annuities, indexed universal life policies, variable annuity policies and variable universal life policies, among others. For fixed-indexed annuities and indexed universal life policies, Global Atlantic generally seeks to use static hedges to offset the exposure primarily created by changes in its embedded derivative balances. Global Atlantic generally purchases options which replicate the crediting rate strategies, often in the form of call spreads. Call spreads are the purchase of a call option matched by the sale of a different call option. For variable annuities and variable universal life policies, Global Atlantic generally seeks to dynamically hedge its exposure to changes in the value of the guarantee it provides to policyholders. Doing so requires the active trading of several financial instruments to respond to changes in market conditions. In addition, Global Atlantic enters into inflation swaps to manage inflation risk associated with inflation-indexed preneed policies.

In the context of specific reinsurance transactions in the institutional channel or acquisitions, Global Atlantic may also enter into hedges which are designed to limit short-term market risks to the economic value of the target assets. From time to time, Global Atlantic also enters into hedges designed to mitigate interest rate and credit risk in investment income, interest expense, and fair value of assets and liabilities. In addition, Global Atlantic enters into currency swaps and forwards to manage any foreign exchange rate risks that may arise from investments denominated in foreign currencies.

Global Atlantic attempts to mitigate the risk of loss due to ineffectiveness under these derivative investments through a regular monitoring process which evaluates the program's effectiveness. Global Atlantic monitors its derivative activities by reviewing portfolio activities and risk levels. Global Atlantic also oversees all derivative transactions to ensure that the types of transactions entered into and the results obtained from those transactions are consistent with both Global Atlantic's risk management strategy and its policies and procedures.

The restricted cash which was held in connection with open derivative transactions with exchange brokers was \$ 181.7 million and \$ 133.0 million as of March 31, 2024 and December 31, 2023, respectively.

Global Atlantic also has embedded derivatives related to reinsurance contracts that are accounted for on a modified coinsurance and funds withheld basis. An embedded derivative exists because the arrangement exposes the reinsurer to third-party credit risk. These embedded derivatives are included in funds withheld receivable and payable at interest in the consolidated statements of financial condition.

Credit Risk

Global Atlantic may be exposed to credit-related losses in the event of nonperformance by its counterparties to derivatives. Generally, the current credit exposure of Global Atlantic's derivatives is limited to the positive fair value of derivatives less any collateral received from the counterparty.

Global Atlantic manages the credit risk on its derivatives by entering into derivative transactions with highly rated financial institutions and other creditworthy counterparties and, where feasible, by trading through central clearing counterparties. Global Atlantic further manages its credit risk on derivatives via the use of master netting agreements, which require the daily posting of collateral by the party in a liability position. Counterparty credit exposure and collateral values are monitored regularly and

Notes to Financial Statements (Continued)

measured against counterparty exposure limits. The provisions of derivative transactions may allow for the termination and settlement of a transaction if there is a downgrade to Global Atlantic's financial strength ratings below a specified level.

The fair value and notional value of the derivative assets and liabilities were as follows:

As of March 31, 2024	Notional Value	Derivative Assets	Derivative Liabilities
<i>Asset Management and Strategic Holdings</i>			
Foreign Exchange Contracts and Options	\$ 17,908,773	\$ 294,511	\$ 321,024
Other Derivatives	824,134	4,258	17
Total Asset Management and Strategic Holdings	\$ 18,732,907	\$ 298,769	\$ 321,041
<i>Insurance</i>			
Derivatives designated as hedge accounting instruments:			
Interest rate contracts	\$ 8,770,500	\$ —	\$ 421,859
Foreign currency contracts	2,199,012	35,573	35,332
Total derivatives designated as hedge accounting instruments	\$ 10,969,512	\$ 35,573	\$ 457,191
Derivatives not designated as hedge accounting instruments:			
Interest rate contracts	\$ 28,140,901	\$ 182,268	\$ 303,621
Equity market contracts	35,709,220	1,708,083	199,924
Foreign currency contracts	1,379,435	75,026	44,523
Other contracts	60,996	957	514
Total derivatives not designated as hedge accounting instruments	\$ 65,290,552	\$ 1,966,334	\$ 548,582
Impact of netting ⁽²⁾	—	(1,973,523)	(851,062)
Total Insurance ⁽¹⁾	\$ 76,260,064	\$ 28,384	\$ 154,711
Fair value included within total assets and liabilities	\$ 94,992,971	\$ 327,153	\$ 475,752

(1) Excludes embedded derivatives. The fair value of these embedded derivatives related to assets was \$ 114.0 million and the fair value of these embedded derivatives related to liabilities was \$ 2.0 billion as of March 31, 2024.

(2) Represents netting of derivative exposures covered by qualifying master netting agreements.

As of December 31, 2023	Notional Value	Derivative Assets	Derivative Liabilities
<i>Asset Management and Strategic Holdings</i>			
Foreign Exchange Contracts and Options	\$ 15,771,463	\$ 264,621	\$ 441,608
Other Derivatives	374,604	4,792	2,382
Total Asset Management and Strategic Holdings	\$ 16,146,067	\$ 269,413	\$ 443,990
<i>Insurance</i>			
Derivatives designated as hedge accounting instruments:			
Interest rate contracts	\$ 7,320,500	\$ —	\$ 372,212
Foreign currency contracts	2,302,335	24,278	73,478
Total derivatives designated as hedge accounting instruments	\$ 9,622,835	\$ 24,278	\$ 445,690
Derivatives not designated as hedge accounting instruments:			
Interest rate contracts	\$ 22,259,423	\$ 284,067	\$ 306,244
Equity market contracts	35,203,206	1,480,875	248,127
Foreign currency contracts	1,331,345	65,803	56,616
Other contracts	60,000	—	600
Total derivatives not designated as hedge accounting instruments	\$ 58,853,974	\$ 1,830,745	\$ 611,587
Impact of netting ⁽²⁾	—	(1,809,329)	(911,080)
Total Insurance ⁽¹⁾	\$ 68,476,809	\$ 45,694	\$ 146,197
Fair value included within total assets and liabilities	\$ 84,622,876	\$ 315,107	\$ 590,187

(1) Excludes embedded derivatives. The fair value of these embedded derivatives related to assets was \$ 88.7 million and the fair value of these embedded derivatives related to liabilities was \$ 1.6 billion as of December 31, 2023.

(2) Represents netting of derivative exposures covered by qualifying master netting agreements.

Notes to Financial Statements (Continued)

Derivatives designated as accounting hedges

Where Global Atlantic has derivative instruments that are designated and qualify as accounting hedges, these derivative instruments receive hedge accounting.

Global Atlantic has designated foreign exchange ("FX") derivative contracts, including forwards and swaps, to hedge the foreign currency risk associated with foreign currency-denominated bonds in fair value hedges. These foreign currency-denominated bonds are accounted for as AFS fixed maturity securities. Changes in the fair value of the hedged AFS fixed maturity securities due to changes in spot exchange rates are reclassified from AOCI to earnings, which offsets the earnings impact of the spot changes of the FX derivative contracts, both of which are recognized within investment-related (losses) gains. The effectiveness of these hedges is assessed using the spot method. Changes in the fair value of the FX derivative contracts related to changes in the spot-forward difference are excluded from the assessment of hedge effectiveness and are deferred in AOCI and recognized in earnings using a systematic and rational method over the life of the FX derivative contracts.

Global Atlantic has designated interest rate swaps to hedge the interest rate risk associated with certain debt and policy liabilities. These fair value hedges qualify for the shortcut method of assessing hedge effectiveness.

The following table presents the financial statement classification, carrying amount and cumulative fair value hedging adjustments for qualifying hedged assets and liabilities:

	As of March 31, 2024		As of December 31, 2023	
	Carrying amount of hedged assets/(liabilities)	Cumulative amount of fair value hedging adjustments included in the carrying amount of hedged assets/(liabilities) ⁽¹⁾	Carrying amount of hedged assets/(liabilities)	Cumulative amount of fair value hedging adjustments included in the carrying amount of hedged assets/(liabilities) ⁽¹⁾
AFS fixed maturity securities ⁽²⁾	\$ 2,168,807	\$ (45,116)	\$ 2,324,364	\$ 80,210
Debt	(2,307,233)	(202,919)	(1,608,294)	(165,817)
Policy liabilities	(5,058,716)	(272,648)	(4,380,048)	(255,308)

(1) Includes \$ 23.4 million and \$ 27.8 million of hedging adjustments on discontinued hedging relationships as of March 31, 2024 and December 31, 2023, respectively.

(2) Carrying amount is the amortized cost for AFS debt securities.

Global Atlantic has designated bond forwards to hedge the interest rate risk associated with the planned purchase of AFS debt securities in cash flow hedges. These arrangements are hedging purchases through December 2027 and are expected to affect earnings until 2053. Regression analysis is used to assess the effectiveness of these hedges.

As of March 31, 2024 and December 31, 2023, there was a cumulative loss of \$(158.2) million and \$(126.9) million, respectively, on the currently designated bond forwards recorded in accumulated other comprehensive loss. Amounts deferred in accumulated other comprehensive loss are reclassified to net investment income following the qualifying purchases of AFS securities, as an adjustment to the yield earned over the life of the purchased securities, using the effective interest method.

Global Atlantic estimates that the amount of gains/losses in accumulated other comprehensive loss to be reclassified into earnings in the next 12 months will not be material.

Notes to Financial Statements (Continued)

Derivative results

The following table presents the financial statement classification and amount of gains (losses) recognized on derivative instruments and related hedged items, where applicable:

	Three Months Ended March 31, 2024					
	Net Gains (Losses) from Investment Activities	Net investment- related gains (losses)	Net investment income	Net policy benefits and claims	Interest expense	Change in AOCI
Derivatives designated as hedge accounting instruments:						
Fair value hedges						
Gains (losses) on derivatives designated as hedge instruments:						
Interest rate contracts	\$ —	\$ —	\$ —	\$ (63,695)	\$ (52,695)	\$ —
Foreign currency contracts	—	49,541	982	—	—	(4,690)
Total gains (losses) on derivatives designated as hedge instruments	\$ —	\$ 49,541	\$ 982	\$ (63,695)	\$ (52,695)	\$ (4,690)
Gains (losses) on hedged items:						
Interest rate contracts	\$ —	\$ —	\$ —	\$ 63,695	\$ 52,695	\$ —
Foreign currency contracts	—	(45,116)	—	—	—	—
Total gains (losses) on hedged items	\$ —	\$ (45,116)	\$ —	\$ 63,695	\$ 52,695	\$ —
Amortization for gains (losses) excluded from assessment of effectiveness:						
Foreign currency contracts	\$ —	\$ 6,381	\$ —	\$ —	\$ —	\$ —
Total amortization for gains (losses) excluded from assessment of effectiveness	—	6,381	—	—	—	—
Total gains (losses) on fair value hedges, net of hedged items	\$ —	\$ 10,806	\$ 982	\$ —	\$ —	\$ (4,690)
Cash flow hedges						
Interest rate contracts	\$ —	\$ —	\$ (845)	\$ —	\$ —	\$ (31,288)
Total gains (losses) on cash flow hedges	\$ —	\$ —	\$ (845)	\$ —	\$ —	\$ (31,288)
Derivatives not designated as hedge accounting instruments:						
<i>Asset Management and Strategic Holdings</i>						
Foreign Exchange Contracts and Options	\$ 183,342	\$ —	\$ —	\$ —	\$ —	\$ —
Other Derivatives	2,450	—	—	—	—	—
Total included in Net Gains (Losses) from Investment Activities	\$ 185,792	\$ —	\$ —	\$ —	\$ —	\$ —
<i>Insurance</i>						
Embedded derivatives - funds withheld receivable	\$ —	\$ 25,330	\$ —	\$ —	\$ —	\$ —
Embedded derivatives - funds withheld payable	—	95,441	—	—	—	—
Equity index options	—	257,103	—	—	—	—
Equity future contracts	—	(63,516)	—	—	—	—
Interest rate contracts	—	(249,295)	—	—	—	—
Foreign exchange and other derivative contracts	—	25,099	—	—	—	—
Total gains (losses) on derivatives not designated as hedge accounting instruments from Insurance Activities	\$ —	\$ 90,162	\$ —	\$ —	\$ —	\$ —
Total	\$ 185,792	\$ 100,968	\$ 137	\$ —	\$ —	\$ (35,978)

Notes to Financial Statements (Continued)

	Three Months Ended March 31, 2023					
	Net Gains (Losses) from Investment Activities	Net investment- related gains (losses)	Net investment income	Net policy benefits and claims	Interest expense	Change in AOCI
Derivatives designated as hedge accounting instruments:						
Fair value hedges						
Gains (losses) on derivatives designated as hedge instruments:						
Interest rate contracts	\$ —	\$ —	\$ —	\$ 34,557	\$ 20,104	\$ —
Foreign currency contracts	—	(35,388)	—	—	—	9,280
Total gains (losses) on derivatives designated as hedge instruments	\$ —	\$ (35,388)	\$ —	\$ 34,557	\$ 20,104	\$ 9,280
Gains (losses) on hedged items:						
Interest rate contracts	\$ —	\$ —	\$ —	\$ (34,557)	\$ (20,104)	\$ —
Foreign currency contracts	—	29,624	—	—	—	—
Total gains (losses) on hedged items	\$ —	\$ 29,624	\$ —	\$ (34,557)	\$ (20,104)	\$ —
Amortization for gains (losses) excluded from assessment of effectiveness:						
Foreign currency contracts	\$ —	\$ 6,826	\$ —	\$ —	\$ —	\$ —
Total amortization for gains (losses) excluded from assessment of effectiveness	\$ —	\$ 6,826	\$ —	\$ —	\$ —	\$ —
Total gains (losses) on fair value hedges, net of hedged items	\$ —	\$ 1,062	\$ —	\$ —	\$ —	\$ 9,280
Cash flow hedges						
Interest rate contracts	\$ —	\$ (268)	\$ —	\$ —	\$ —	\$ 57,920
Total gains (losses) on cash flow hedges	\$ —	\$ (268)	\$ —	\$ —	\$ —	\$ 57,920
Derivatives not designated as hedge accounting instruments:						
<i>Asset Management and Strategic Holdings</i>						
Foreign Exchange Contracts and Options	\$ (22,366)	\$ —	\$ —	\$ —	\$ —	\$ —
Other Derivatives	12,208	—	—	—	—	—
Total included in Net Gains (Losses) from Investment Activities	\$ (10,158)	\$ —	\$ —	\$ —	\$ —	\$ —
<i>Insurance</i>						
Embedded derivatives - funds withheld receivable	\$ —	\$ (30,767)	\$ —	\$ —	\$ —	\$ —
Embedded derivatives - funds withheld payable	—	(430,235)	—	—	—	—
Equity index options	—	83,887	—	—	—	—
Equity future contracts	—	(40,825)	—	—	—	—
Interest rate and foreign exchange contracts	—	68,996	—	—	—	—
Other contracts	—	(75)	—	—	—	—
Total gains (losses) on derivatives not qualifying as hedge accounting instruments from Insurance Activities	\$ —	\$ (349,019)	\$ —	\$ —	\$ —	\$ —
Total	\$ (10,158)	\$ (348,225)	\$ —	\$ —	\$ —	\$ 67,200

Notes to Financial Statements (Continued)

Collateral

The amount of Global Atlantic's net derivative assets and liabilities after consideration of collateral received or pledged were as follows:

As of March 31, 2024	Gross amount recognized	Gross amounts offset in the statements of financial position⁽¹⁾	Net amounts presented in the statements of financial condition	Collateral (received) / pledged	Net amount after collateral
Derivative assets (excluding embedded derivatives)	\$ 2,001,907	\$ (1,973,523)	\$ 28,384	\$ (16,333)	\$ 12,051
Derivative liabilities (excluding embedded derivatives)	\$ 1,005,773	\$ (851,062)	\$ 154,711	\$ 198,464	\$ (43,753)

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

As of December 31, 2023	Gross amount recognized	Gross amounts offset in the statements of financial position⁽¹⁾	Net amounts presented in the statements of financial condition	Collateral (received) / pledged	Net amount after collateral
Derivative assets (excluding embedded derivatives)	\$ 1,855,023	\$ (1,809,329)	\$ 45,694	\$ (45,095)	\$ 599
Derivative liabilities (excluding embedded derivatives)	\$ 1,057,277	\$ (911,080)	\$ 146,197	\$ 167,973	\$ (21,776)

(1) Represents netting of derivative exposures covered by qualifying master netting agreements.

Notes to Financial Statements (Continued)

9. FAIR VALUE MEASUREMENTS

The following tables summarize the valuation of assets and liabilities measured and reported at fair value by the fair value hierarchy. Investments classified as Equity Method - Other, for which the fair value option has not been elected, and Equity Method - Capital Allocation-Based Income have been excluded from the tables below.

Assets, at fair value:

	March 31, 2024			
	Level I	Level II	Level III	Total
Asset Management and Strategic Holdings				
Private Equity	\$ 1,356,004	\$ 58,353	\$ 32,258,143	\$ 33,672,500
Credit	208,618	2,997,980	5,194,915	8,401,513
Investments of Consolidated CFEs	—	24,961,635	—	24,961,635
Real Assets	424,911	18,573	11,529,548	11,973,032
Equity Method - Other	370,264	593,050	1,534,073	2,497,387
Other Investments	239,257	73,780	4,204,202	4,517,239
Total Investments	\$ 2,599,054	\$ 28,703,371	\$ 54,720,881	\$ 86,023,306
Foreign Exchange Contracts and Options	—	294,511	—	294,511
Other Derivatives	—	4,258	—	4,258
Total Assets at Fair Value - Asset Management and Strategic Holdings	\$ 2,599,054	\$ 29,002,140	\$ 54,720,881	\$ 86,322,075
Insurance				
AFS fixed maturity securities:				
U.S. government and agencies	\$ 3,461,569	\$ 121,190	\$ —	\$ 3,582,759
U.S. state, municipal and political subdivisions	—	4,541,898	—	4,541,898
Corporate	—	32,183,616	8,071,579	40,255,195
Structured securities	—	23,742,369	1,926,056	25,668,425
Total AFS fixed maturity securities	\$ 3,461,569	\$ 60,589,073	\$ 9,997,635	\$ 74,048,277
Trading fixed maturity securities:				
U.S. government and agencies	\$ 5,991,106	\$ 170,734	\$ —	\$ 6,161,840
U.S. state, municipal and political subdivisions	—	1,266,878	—	1,266,878
Corporate	—	14,271,718	378,435	14,650,153
Structured securities	—	5,235,935	670,143	5,906,078
Total trading fixed maturity securities	\$ 5,991,106	\$ 20,945,265	\$ 1,048,578	\$ 27,984,949
Equity securities	5,648	—	15,823	21,471
Mortgage and other loan receivables	—	—	686,938	686,938
Other investments	—	—	4,897,017 ⁽¹⁾	4,897,017
Funds withheld receivable at interest	—	—	113,991	113,991
Reinsurance recoverable	—	—	965,877	965,877
Derivative assets:				
Equity market contracts	1,225	1,706,858	—	1,708,083
Interest rate contracts	1,577	180,691	—	182,268
Other contracts	—	957	—	957
Foreign currency contracts	—	110,599	—	110,599
Impact of netting	(2,188)	(1,971,335)	— ⁽²⁾	(1,973,523)
Total derivative assets	\$ 614	\$ 27,770	\$ —	\$ 28,384
Separate account assets	4,223,173	—	—	4,223,173
Total Assets at Fair Value - Insurance	\$ 13,682,110	\$ 81,562,108	\$ 17,725,859	\$ 112,970,077
Total Assets at Fair Value	\$ 16,281,164	\$ 110,564,248	\$ 72,446,740	\$ 199,292,152

Notes to Financial Statements (Continued)

	December 31, 2023			
	Level I	Level II	Level III	Total
Asset Management and Strategic Holdings				
Private Equity	\$ 1,762,257	\$ 58,653	\$ 30,921,574	\$ 32,742,484
Credit	281,626	2,540,362	5,452,916	8,274,904
Investments of Consolidated CFEs	—	24,996,298	—	24,996,298
Real Assets	676,808	27,567	11,295,633	12,000,008
Equity Method - Other	418,791	326,835	1,537,962	2,283,588
Other Investments	218,151	95,453	4,265,768	4,579,372
Total Investments	\$ 3,357,633	\$ 28,045,168	\$ 53,473,853	\$ 84,876,654
Foreign Exchange Contracts and Options	—	264,621	—	264,621
Other Derivatives	—	4,792	—	4,792
Total Assets at Fair Value - Asset Management and Strategic Holdings	\$ 3,357,633	\$ 28,314,581	\$ 53,473,853	\$ 85,146,067
Insurance				
AFS fixed maturity securities:				
U.S. government and agencies	\$ 1,082,421	\$ 120,671	\$ —	\$ 1,203,092
U.S. state, municipal and political subdivisions	—	4,607,392	—	4,607,392
Corporate	—	31,377,753	8,571,003	39,948,756
Structured securities	—	21,824,948	1,830,000	23,654,948
Total AFS fixed maturity securities	\$ 1,082,421	\$ 57,930,764	\$ 10,401,003	\$ 69,414,188
Trading fixed maturity securities:				
U.S. government and agencies	\$ 2,354,194	\$ 163,919	\$ —	\$ 2,518,113
U.S. state, municipal and political subdivisions	—	1,223,946	—	1,223,946
Corporate	—	9,815,909	656,923	10,472,832
Structured securities	—	3,997,341	593,238	4,590,579
Total trading fixed maturity securities	\$ 2,354,194	\$ 15,201,115	\$ 1,250,161	\$ 18,805,470
Equity securities	4,215	—	15,522	19,737
Mortgage and other loan receivables	—	—	697,402	697,402
Other investments	—	—	4,925,751 ⁽¹⁾	4,925,751
Funds withheld receivable at interest	—	—	88,661	88,661
Reinsurance recoverable	—	—	926,035	926,035
Derivative assets:				
Equity market contracts	1,669	1,479,206	—	1,480,875
Interest rate contracts	19,474	264,593	—	284,067
Foreign currency contracts	—	90,081	—	90,081
Impact of netting	(23,522)	(1,785,807)	— ⁽²⁾	(1,809,329)
Total derivative assets	\$ (2,379)	\$ 48,073	\$ —	\$ 45,694
Separate account assets	4,107,000	—	—	4,107,000
Total Assets at Fair Value - Insurance	\$ 7,545,451	\$ 73,179,952	\$ 18,304,535	\$ 99,029,938
Total Assets at Fair Value	\$ 10,903,084	\$ 101,494,533	\$ 71,778,388	\$ 184,176,005

(1) Other investments excluded from the fair value hierarchy include private equity funds for which fair value is measured at net asset value per share as a practical expedient. As of March 31, 2024 and December 31, 2023, the fair value of these investments was \$ 670.6 million and \$ 138.5 million, respectively. These investments have strategies primarily focused on real assets (including real estate and infrastructure) and are subject to certain restrictions on redemption. As of March 31, 2024, there were \$ 3.1 million of unfunded commitments associated with these investments.

(2) Represents netting of derivative exposures covered by qualifying master netting agreements.

Notes to Financial Statements (Continued)

Liabilities, at fair value:

	March 31, 2024			
	Level I	Level II	Level III	Total
Asset Management and Strategic Holdings				
Securities Sold Short	\$ 168,262	\$ —	\$ —	\$ 168,262
Foreign Exchange Contracts and Options	—	321,024	—	321,024
Unfunded Revolver Commitments	—	—	95,004 ⁽¹⁾	95,004
Other Derivatives	17	—	—	17
Debt Obligations of Consolidated CFEs	—	25,075,510	—	25,075,510
Total Liabilities at Fair Value - Asset Management and Strategic Holdings	\$ 168,279	\$ 25,396,534	\$ 95,004	\$ 25,659,817
Insurance				
Policy liabilities (including market risk benefits)	\$ —	\$ —	\$ 1,337,563 ⁽³⁾	\$ 1,337,563
Closed block policy liabilities	—	—	1,005,627	1,005,627
Funds withheld payable at interest	—	—	(2,542,744)	(2,542,744)
Derivative instruments payable:				
Equity market contracts	4,069	195,855	—	199,924
Interest rate contracts	1,087	724,393	—	725,480
Foreign currency contracts	—	79,855	—	79,855
Other contracts	—	514	—	514
Impact of netting	(2,188)	(848,874)	— ⁽²⁾	(851,062)
Total derivative instruments payable	2,968	151,743	—	154,711
Embedded derivative – interest-sensitive life products	—	—	486,199	486,199
Embedded derivative – annuity products	—	—	4,051,405	4,051,405
Total Liabilities at Fair Value - Insurance	\$ 2,968	\$ 151,743	\$ 4,338,050	\$ 4,492,761
Total Liabilities at Fair Value	\$ 171,247	\$ 25,548,277	\$ 4,433,054	\$ 30,152,578

Notes to Financial Statements (Continued)

	December 31, 2023			
	Level I	Level II	Level III	Total
Asset Management and Strategic Holdings				
Securities Sold Short	\$ 149,136	\$ —	\$ —	\$ 149,136
Foreign Exchange Contracts and Options	—	441,608	—	441,608
Unfunded Revolver Commitments	—	—	94,683 ⁽¹⁾	94,683
Other Derivatives	143	2,239	—	2,382
Debt Obligations of Consolidated CFEs	—	25,276,404	—	25,276,404
Total Liabilities at Fair Value - Asset Management and Strategic Holdings	\$ 149,279	\$ 25,720,251	\$ 94,683	\$ 25,964,213
Insurance				
Policy liabilities (including market risk benefits)	\$ —	\$ —	\$ 1,474,970 ⁽³⁾	\$ 1,474,970
Closed block policy liabilities	—	—	968,554	968,554
Funds withheld payable at interest	—	—	(2,447,303)	(2,447,303)
Derivative instruments payable:				
Equity market contracts	7,088	241,039	—	248,127
Interest rate contracts	17,931	660,525	—	678,456
Foreign currency contracts	—	130,094	—	130,094
Other contracts	—	600	—	600
Impact of netting	(23,522)	(887,558)	— ⁽²⁾	(911,080)
Total derivative instruments payable	1,497	144,700	—	146,197
Embedded derivative – interest-sensitive life products	—	—	458,302	458,302
Embedded derivative – annuity products	—	—	3,587,371	3,587,371
Total Liabilities at Fair Value - Insurance	\$ 1,497	\$ 144,700	\$ 4,041,894	\$ 4,188,091
Total Liabilities at Fair Value	\$ 150,776	\$ 25,864,951	\$ 4,136,577	\$ 30,152,304

(1) These unfunded revolver commitments are valued using the same valuation methodologies as KKR's Level III credit investments.

(2) Represents netting of derivative exposures covered by qualifying master netting agreements.

(3) Includes market risk benefit of \$ 1.0 billion and \$ 1.1 billion as of March 31, 2024 and December 31, 2023, respectively.

Notes to Financial Statements (Continued)

The following tables summarize changes in assets and liabilities measured and reported at fair value for which Level III inputs have been used to determine fair value for the three months ended March 31, 2024 and 2023, respectively.

Three Months Ended March 31, 2024											
	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Issuances/Sales/Settlements	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period	Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date	Changes in Net Unrealized Gains (Losses) Included in OCI related to Level III Assets and Liabilities still held as of the Reporting Date	
Assets											
<i>Asset Management and Strategic Holdings</i>											
Private Equity	\$ 30,921,574	\$ —	\$ —	\$ —	\$ 741,462	\$ 595,107	\$ —	\$ 32,258,143	\$ 593,507	\$ —	
Credit	5,452,916	—	148,072	(105,080)	(258,589)	(42,404)	—	5,194,915	(37,131)	—	
Real Assets	11,295,633	—	—	—	350,333	(116,418)	—	11,529,548	(117,618)	—	
Equity Method - Other	1,537,962	—	—	—	623	(4,512)	—	1,534,073	(6,115)	—	
Other Investments	4,265,768	—	—	(8,106)	(122,560)	68,923	177	4,204,202	74,729	177	
Total Assets - Asset Management and Strategic Holdings	\$ 53,473,853	\$ —	\$ 148,072	\$ (113,186)	\$ 711,269	\$ 500,696	\$ 177	\$ 54,720,881	\$ 507,372	\$ 177	
<i>Insurance</i>											
<i>AFS fixed maturity securities:</i>											
Corporate fixed maturity securities	\$ 8,571,003	\$ —	\$ —	\$ (301)	\$ (544,590)	\$ (47,622)	\$ 93,089	\$ 8,071,579	\$ —	\$ 93,046	
Structured securities	1,830,000	—	53,014	—	23,814	7,639	11,589	1,926,056	—	12,136	
Total AFS fixed maturity securities	10,401,003	—	53,014	(301)	(520,776)	(39,983)	104,678	9,997,635	—	105,182	
<i>Trading fixed maturity securities:</i>											
Corporate fixed maturity securities	656,923	—	191	—	(319,550)	40,871	—	378,435	40,396	—	
Structured securities	593,238	—	91,658	—	(24,223)	9,470	—	670,143	10,428	—	
Total trading fixed maturity securities	1,250,161	—	91,849	—	(343,773)	50,341	—	1,048,578	50,824	—	
Equity securities	15,522	—	—	—	—	301	—	15,823	301	—	
Mortgage and other loan receivables	697,402	—	—	—	(5,792)	(4,672)	—	686,938	(4,304)	—	
Other investments	4,925,751	—	—	—	51,066	(79,800)	—	4,897,017	(78,044)	—	
Funds withheld receivable at interest	88,661	—	—	—	—	25,330	—	113,991	—	—	
Reinsurance recoverable	926,035	—	—	—	(11,668)	51,510	—	965,877	—	—	
Total Assets - Insurance	\$ 18,304,535	\$ —	\$ 144,863	\$ (301)	\$ (830,943)	\$ 3,027	\$ 104,678	\$ 17,725,859	\$ (31,223)	\$ 105,182	
Total	\$ 71,778,388	\$ —	\$ 292,935	\$ (113,487)	\$ (119,674)	\$ 503,723	\$ 104,855	\$ 72,446,740	\$ 476,149	\$ 105,359	

Notes to Financial Statements (Continued)

Three Months Ended March 31, 2023

									Changes in		
									Net Unrealized		
									Gains		
									(Losses)		
									Included in	Changes in Net	
	Balance, Beg.	- Changes in	Transfers In / (Out)		Net	Net Unrealized		Change in	Balance, End of	Reporting	Unrealized
	of Period	Consolidation	Transfers In	Transfers Out	Purchases/Issuances/Sales/Settlements	Gains (Losses)	OCI		Period	Date	Gains (Losses)
Assets											
Asset Management and Strategic Holdings											
Private Equity	\$ 25,336,957	\$ —	\$ —	\$ —		933,427	\$ (80,883)	\$ —	\$ 26,189,501	\$ (82,903)	\$ —
Credit	5,786,026	—	17,628	(23,758)		76,332	46,350	—	5,902,578	44,069	—
Real Assets	17,015,112	—	—	—		2,215,040	(283,301)	—	18,946,851	(288,639)	—
Equity Method - Other	1,624,420	—	—	—		5,644	(27,370)	—	1,602,694	(23,357)	—
Other Investments	3,334,366	—	—	(22,376)		511,252	(84,796)	—	3,738,446	(92,618)	—
Other Derivatives	—	—	—	—		2,153	(2,153)	—	—	—	—
Total Assets - Asset Management and Strategic Holdings	\$ 53,096,881	\$ —	\$ 17,628	\$ (46,134)		3,743,848	\$ (432,153)	—	\$ 56,380,070	\$ (443,448)	\$ —
Insurance											
AFS fixed maturity securities:											
Corporate fixed maturity securities	\$ 8,310,657	\$ —	\$ —	\$ —		(66,084)	\$ 21,265	\$ 28,585	\$ 8,294,423	\$ —	\$ 19,326
Structured securities	1,419,441	—	170,775	(3,374)		154,983	(4,139)	33,099	1,770,785	—	32,822
Total AFS fixed maturity securities	9,730,098	—	170,775	(3,374)		88,899	17,126	61,684	10,065,208	—	52,148
Trading fixed maturity securities:											
Corporate fixed maturity securities	672,023	—	—	—		(27,893)	(12,260)	—	631,870	(11,841)	—
Structured securities	643,811	—	5,890	(6,747)		14,017	4,594	—	661,565	6,060	—
Total trading fixed maturity securities	1,315,834	—	5,890	(6,747)		(13,876)	(7,666)	—	1,293,435	(5,781)	—
Equity securities	16,286	—	—	—		—	(975)	—	15,311	(975)	—
Mortgage and other loan receivables	787,515	—	—	—		(10,560)	(3,038)	—	773,917	(2,165)	—
Other investments	4,883,441	—	—	—		110,942	14,730	—	5,009,113	24,546	—
Funds withheld receivable at interest	12,785	—	—	—		—	(30,767)	—	(17,982)	—	—
Reinsurance recoverable	981,775	—	—	—		(10,654)	39,481	—	1,010,602	—	—
Total Assets - Insurance	\$ 17,727,734	\$ —	\$ 176,665	\$ (10,121)		164,751	\$ 28,891	\$ 61,684	\$ 18,149,604	\$ 15,625	\$ 52,148
Total	\$ 70,824,615	\$ —	\$ 194,293	\$ (56,255)		3,908,599	\$ (403,262)	\$ 61,684	\$ 74,529,674	\$ (427,823)	\$ 52,148

Notes to Financial Statements (Continued)

	Three Months Ended March 31, 2024										
	Purchases		Issuances		Sales		Settlements		Net Purchases/ Issuances/ Sales/ Settlements		
Assets											
Asset Management and Strategic Holdings											
Private Equity	\$	986,552	\$	—	\$	(245,090)	\$	—	\$	741,462	
Credit		322,033		—		(230,387)		(350,235)		(258,589)	
Real Assets		383,467		—		(33,134)		—		350,333	
Equity Method - Other		3,080		—		(2,457)		—		623	
Other Investments		390,664		—		(448,621)		(64,603)		(122,560)	
Total Assets - Asset Management and Strategic Holdings	\$	2,085,796	\$	—	\$	(959,689)	\$	(414,838)	\$	711,269	
Insurance											
AFS fixed maturity securities:											
Corporate fixed maturity securities	\$	662,876	\$	—	\$	(170,021)	\$	(1,037,445)	\$	(544,590)	
Structured securities		91,045		—		(2,002)		(65,229)		23,814	
Total AFS fixed maturity securities		753,921		—		(172,023)		(1,102,674)		(520,776)	
Trading fixed maturity securities:											
Corporate fixed maturity securities		61,018		—		(54,206)		(326,362)		(319,550)	
Structured securities		237		—		(6,470)		(17,990)		(24,223)	
Total trading fixed maturity securities		61,255		—		(60,676)		(344,352)		(343,773)	
Mortgage and other loan receivables		1,795		—		—		(7,587)		(5,792)	
Other investments		54,950		—		(3,884)		—		51,066	
Reinsurance recoverable		—		—		—		(11,668)		(11,668)	
Total Assets - Insurance	\$	871,921	\$	—	\$	(236,583)	\$	(1,466,281)	\$	(830,943)	
Total	\$	2,957,717	\$	—	\$	(1,196,272)	\$	(1,881,119)	\$	(119,674)	
Three Months Ended March 31, 2023											
	Purchases		Issuances		Sales		Settlements		Net Purchases/ Issuances/ Sales/ Settlements		
Assets											
Asset Management and Strategic Holdings											
Private Equity	\$	955,937	\$	—	\$	(22,510)	\$	—	\$	933,427	
Credit		440,733		—		(278,981)		(85,420)		76,332	
Real Assets		2,291,691		—		(75,612)		(1,039)		2,215,040	
Equity Method - Other		6,472		—		(828)		—		5,644	
Other Investments		592,177		—		(16,016)		(64,909)		511,252	
Other Derivatives		2,153		—		—		—		2,153	
Total Assets - Asset Management and Strategic Holdings	\$	4,289,163	\$	—	\$	(393,947)	\$	(151,368)	\$	3,743,848	
Insurance											
AFS fixed maturity securities:											
Corporate fixed maturity securities	\$	235,382	\$	—	\$	(588)	\$	(300,878)	\$	(66,084)	
Structured securities		176,819		—		—		(21,836)		154,983	
Total AFS fixed maturity securities		412,201		—		(588)		(322,714)		88,899	
Trading fixed maturity securities:											
Corporate fixed maturity securities		7,717		—		(1,000)		(34,610)		(27,893)	
Structured securities		24,650		—		(694)		(9,939)		14,017	
Total trading fixed maturity securities		32,367		—		(1,694)		(44,549)		(13,876)	
Mortgage and other loan receivables		377		—		(3,078)		(7,859)		(10,560)	
Other investments		118,394		—		(7,452)		—		110,942	
Reinsurance recoverable		—		—		—		(10,654)		(10,654)	
Total Assets - Insurance	\$	563,339	\$	—	\$	(12,812)	\$	(385,776)	\$	164,751	
Total	\$	4,852,502	\$	—	\$	(406,759)	\$	(537,144)	\$	3,908,599	

Notes to Financial Statements (Continued)

Three Months Ended March 31, 2024

												Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date
	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Sales/Settlements/Issuances	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period				
Liabilities												
<i>Asset Management and Strategic Holdings</i>												
Unfunded Revolver												
Commitments	\$ 94,683	\$ —	\$ —	\$ —	\$ —	\$ 321	\$ —	\$ 95,004	\$		\$	321
Total Liabilities - Asset Management and Strategic Holdings	\$ 94,683	\$ —	\$ —	\$ —	\$ —	\$ 321	\$ —	\$ 95,004	\$		\$	321
<i>Insurance</i>												
Policy liabilities	\$ 1,474,970	\$ —	\$ —	\$ —	\$ (49)	\$ (142,526)	\$ 5,168	\$ 1,337,563	\$		\$	—
Closed block policy liabilities	968,554	—	—	—	(865)	38,529	(591)	1,005,627				—
Funds withheld payable at interest	(2,447,303)	—	—	—	—	(95,441)	—	(2,542,744)				—
Embedded derivative – interest-sensitive life products	458,302	—	—	—	(24,478)	52,375	—	486,199				—
Embedded derivative – annuity products	3,587,371	—	—	—	259,459	204,575	—	4,051,405				—
Total Liabilities - Insurance	\$ 4,041,894	\$ —	\$ —	\$ —	\$ 234,067	\$ 57,512	\$ 4,577	\$ 4,338,050	\$		\$	—
Total	\$ 4,136,577	\$ —	\$ —	\$ —	\$ 234,067	\$ 57,833	\$ 4,577	\$ 4,433,054	\$		\$	321

Notes to Financial Statements (Continued)

Three Months Ended March 31, 2023

										Changes in Net Unrealized Gains (Losses) Included in Earnings related to Level III Assets and Liabilities still held as of the Reporting Date
	Balance, Beg. of Period	Transfers In / (Out) - Changes in Consolidation	Transfers In	Transfers Out	Net Purchases/Sales/Settlements/Issuances	Net Unrealized and Realized Gains (Losses)	Change in OCI	Balance, End of Period		
Liabilities										
<i>Asset Management and Strategic Holdings</i>										
Unfunded Revolver										
Commitments	\$ 137,315	\$ —	\$ —	\$ —	\$ —	\$ (24,781)	\$ —	\$ 112,534	\$	(24,781)
Total Liabilities - Asset Management and Strategic Holdings	\$ 137,315	\$ —	\$ —	\$ —	\$ —	\$ (24,781)	\$ —	\$ 112,534	\$	(24,781)
<i>Insurance</i>										
Policy liabilities	\$ 1,063,496	\$ —	\$ —	\$ —	\$ (865)	\$ 123,163	\$ (52,015)	\$ 1,133,779	\$	—
Closed block policy liabilities	1,016,313	—	—	—	(5,862)	37,258	(1,251)	1,046,458		—
Funds withheld payable at interest	(3,487,766)	—	—	—	—	430,235	—	(3,057,531)		—
Embedded derivative – interest-sensitive life products	337,860	—	—	—	(2,948)	38,479	—	373,391		—
Embedded derivative – annuity products	1,851,381	—	—	—	349,482	201,564	—	2,402,427		—
Total Liabilities - Insurance	\$ 781,284	\$ —	\$ —	\$ —	\$ 339,807	\$ 830,699	\$ (53,266)	\$ 1,898,524	\$	—
Total	\$ 918,599	\$ —	\$ —	\$ —	\$ 339,807	\$ 805,918	\$ (53,266)	\$ 2,011,058	\$	(24,781)

Notes to Financial Statements (Continued)

	Three Months Ended March 31, 2024			
	Issuances	Sales	Settlements	Net Issuances/Settlements
Liabilities				
<i>Asset Management and Strategic Holdings</i>				
Unfunded Revolver Commitments	\$ —	\$ —	\$ —	\$ —
Total Liabilities - Asset Management and Strategic Holdings	\$ —	\$ —	\$ —	\$ —
<i>Insurance</i>				
Policy liabilities	\$ 3,407	\$ —	\$ (3,456)	\$ (49)
Closed block policy liabilities	—	—	(865)	(865)
Embedded derivative – interest-sensitive life products	—	—	(24,478)	(24,478)
Embedded derivative – annuity products	318,092	—	(58,633)	259,459
Total Liabilities - Insurance	\$ 321,499	\$ —	\$ (87,432)	\$ 234,067
Total	\$ 321,499	\$ —	\$ (87,432)	\$ 234,067
	Three Months Ended March 31, 2023			
	Issuances	Sales	Settlements	Net Issuances/Settlements
Liabilities				
<i>Asset Management and Strategic Holdings</i>				
Unfunded Revolver Commitments	\$ —	\$ —	\$ —	\$ —
Total Liabilities - Asset Management and Strategic Holdings	\$ —	\$ —	\$ —	\$ —
<i>Insurance</i>				
Policy liabilities	\$ (45)	\$ —	\$ (820)	\$ (865)
Closed block policy liabilities	—	—	(5,862)	(5,862)
Embedded derivative – interest-sensitive life products	—	—	(2,948)	(2,948)
Embedded derivative – annuity products	368,898	—	(19,416)	349,482
Total Liabilities - Insurance	\$ 368,853	\$ —	\$ (29,046)	\$ 339,807
Total	\$ 368,853	\$ —	\$ (29,046)	\$ 339,807

Total realized and unrealized gains and losses recorded for Asset Management and Strategic Holdings - Level III assets and liabilities are reported in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations while Insurance - Level III assets and liabilities are reported in Net Investment Gains and Policy Benefits and Claims in the accompanying consolidated statements of operations.

The following table presents additional information about valuation methodologies and significant unobservable inputs used for financial assets and liabilities that are measured and reported at fair value and categorized within Level III as of March 31, 2024. Because input information includes only those items for which information is reasonably available, balances shown below may not equal total amounts reported for such Level III assets and liabilities:

Level III Assets	Fair Value March 31, 2024	Valuation Methodologies & Inputs	Unobservable Input(s) ⁽¹⁾	Weighted Average ⁽²⁾	Range	Impact to Valuation from an Increase in Input ⁽³⁾
ASSET MANAGEMENT AND STRATEGIC HOLDINGS						
Private Equity	\$ 32,258,143					
Private Equity	\$ 29,294,376	Inputs to market comparables, discounted cash flow and transaction price	Illiquidity Discount	6.3 %	5.0 % - 15.0 %	Decrease
			Weight Ascribed to Market Comparables	27.5 %	0.0 % - 100.0 %	(4)
			Weight Ascribed to Discounted Cash Flow	63.0 %	0.0 % - 100.0 %	(5)
		Market comparables	Weight Ascribed to Transaction Price	9.5 %	0.0 % - 100.0 %	(6)
			Enterprise Value/LTM EBITDA Multiple	18.3 x	5.5 x - 50.2 x	Increase
			Enterprise Value/Forward EBITDA Multiple	16.9 x	4.4 x - 31.4 x	Increase
		Discounted cash flow	Weighted Average Cost of Capital	10.1 %	6.3 % - 14.9 %	Decrease
			Enterprise Value/EBITDA Exit Multiple	13.1 x	6.0 x - 27.6 x	Increase

						Impact to Valuation from an Increase in
Level III Assets	Fair Value March 31, 2024	Valuation Methodologies & Inputs	Unobservable Input(s) ⁽¹⁾	Weighted Average ⁽²⁾	Range	Increase in Input ⁽³⁾
Growth Equity	\$ 2,963,767	Inputs to market comparables, discounted cash flow and milestones	Illiquidity Discount	10.1 %	10.0 % - 15.0 %	Decrease
			Weight Ascribed to Market Comparables	45.1 %	0.0 % - 100.0 %	(4)
			Weight Ascribed to Discounted Cash Flow	2.3 %	0.0 % - 50.0 %	(5)
			Weight Ascribed to Transaction Price	12.2 %	0.0 % - 100.0 %	(6)
			Weight Ascribed to Milestones	40.4 %	0.0 % - 100.0 %	(6)
		Scenario Weighting	Base	69.6 %	60.0 % - 85.0 %	Increase
			Downside	8.7 %	5.0 % - 15.0 %	Decrease
			Upside	21.7 %	10.0 % - 35.0 %	Increase
		Market Comparables	Enterprise Value/Revenues Multiple	9.5 x	3.4 x - 11.7 x	Increase
Credit	\$ 5,194,915	Yield Analysis	Yield	11.4 %	0.0 % - 21.4 %	Decrease
			Net Leverage	5.9 x	1.7 x - 20.4 x	Decrease
			EBITDA Multiple	12.4 x	6.8 x - 30.0 x	Increase
Real Assets	\$ 11,529,548					
Energy	\$ 1,542,876	Inputs to market comparables, discounted cash flow and transaction price	Weight Ascribed to Market Comparables	44.4 %	0.0 % - 50.0 %	(4)
			Weight Ascribed to Discounted Cash Flow	55.6 %	50.0 % - 100.0 %	(5)
		Market comparables	Enterprise Value/LTM EBITDA Multiple	4.7 x	4.7 x - 4.7 x	Increase
			Enterprise Value/Forward EBITDA Multiple	7.0 x	4.6 x - 7.8 x	Increase
		Discounted cash flow	Weighted Average Cost of Capital	12.1 %	11.8 % - 12.2 %	Decrease
			Average Price Per BOE (8)	\$ 48.28	\$ 46.55 - \$ 52.47	Increase
Infrastructure	\$ 1,482,424	Inputs to market comparables, discounted cash flow and transaction price	Illiquidity Discount	5.9 %	5.0 % - 10.0 %	Decrease
			Weight Ascribed to Market Comparables	6.3 %	0.0 % - 25.0 %	(4)
			Weight Ascribed to Discounted Cash Flow	56.5 %	10.0 % - 100.0 %	(5)
			Weight Ascribed to Transaction Price	37.2 %	0.0 % - 90.0 %	(6)
		Market comparables	Enterprise Value/LTM EBITDA Multiple	10.8 x	10.8 x - 10.8 x	Increase
			Enterprise Value/Forward EBITDA Multiple	19.6 x	10.6 x - 23.8 x	Increase
		Discounted cash flow	Weighted Average Cost of Capital	7.5 %	6 % - 9.6 %	Decrease
			Enterprise Value/EBITDA Exit Multiple	15.2 x	10.0 x - 22.0 x	Increase
Real Estate	\$ 8,504,248	Inputs to direct income capitalization, discounted cash flow and transaction price	Weight Ascribed to Direct Income Capitalization	20.5 %	0.0 % - 100.0 %	(7)
			Weight Ascribed to Discounted Cash Flow	73.5 %	0.0 % - 100.0 %	(5)
			Weight Ascribed to Transaction Price	6.0 %	0.0 % - 100.0 %	(6)
		Direct income capitalization	Current Capitalization Rate	4.1 %	1.9 % - 7.7 %	Decrease
		Discounted cash flow	Exit Capitalization Rate	5.6 %	2.9 % - 9.0 %	Decrease
			Unlevered Discount Rate	6.6 %	2.6 % - 18.0 %	Decrease
Equity Method - Other	\$ 1,534,073	Inputs to market comparables, discounted cash flow and transaction price	Illiquidity Discount	7.1 %	5.0 % - 15.0 %	Decrease
			Weight Ascribed to Market Comparables	47.1 %	0.0 % - 100.0 %	(4)
			Weight Ascribed to Discounted Cash Flow	41.5 %	0.0 % - 50.0 %	(5)
			Weight Ascribed to Transaction Price	11.4 %	0.0 % - 100.0 %	(6)
		Market comparables	Enterprise Value/LTM EBITDA Multiple	13.4 x	4.7 x - 18.7 x	Increase
			Enterprise Value/Forward EBITDA Multiple	12.3 x	4.6 x - 17.4 x	Increase
		Discounted cash flow	Weighted Average Cost of Capital	10.6 %	7.4 % - 15.7 %	Decrease
			Enterprise Value/EBITDA Exit Multiple	11.0 x	9.5 x - 15.0 x	Increase
Other Investments	\$ 4,204,202 (9)	Inputs to market comparables, discounted cash flow and transaction price	Illiquidity Discount	8.3 %	5.0 % - 15.0 %	Decrease
			Weight Ascribed to Market Comparables	25.9 %	0.0 % - 100.0 %	(4)
			Weight Ascribed to Discounted Cash Flow	45.1 %	0.0 % - 100.0 %	(5)
			Weight Ascribed to Transaction Price	29.0 %	0.0 % - 100.0 %	(6)
		Market comparables	Enterprise Value/LTM EBITDA Multiple	10.4 x	0.6 x - 21.5 x	Increase
			Enterprise Value/Forward EBITDA Multiple	11.9 x	3.3 x - 19.1 x	Increase
		Discounted cash flow	Weighted Average Cost of Capital	9.8 %	7.7 % - 38.9 %	Decrease
			Enterprise Value/EBITDA Exit Multiple	10.7 x	7.3 x - 15.0 x	Increase

Notes to Financial Statements (Continued)

Level III Assets	Fair Value March 31, 2024	Valuation Methodologies & Inputs	Unobservable Input(s) ⁽¹⁾	Weighted Average ⁽²⁾	Range	Impact to Valuation from an Increase in Input ⁽³⁾
INSURANCE⁽¹⁰⁾						
Corporate fixed maturity securities	\$ 8,450,014	Discounted cash flow	Discount Spread	2.5 %	0.4 % - 5.5 %	Decrease
Structured securities	\$ 2,596,199	Discounted cash flow	Discount Spread	3.1 %	2.0 % - 5.6 %	Decrease
			Constant Prepayment Rate	12.0 %	10.0 % - 15.0 %	Increase/Decrease
			Constant Default Rate	0.4 %	0.0 % - 3.0 %	Decrease
			Loss Severity	10.1 %	0.0 % - 95.0 %	Decrease
Other investments	\$ 4,897,017	Discounted cash flow	Vacancy rate	2.1 %	0.0 % - 2.5 %	Decrease
			Discount rate	7.6 %	6.8 % - 8.2 %	Decrease
			Terminal capitalization rate	6.1 %	5.0 % - 7.0 %	Decrease
Reinsurance recoverable	\$ 965,877	Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.	Expense assumption	\$ 17.4	The average expense assumption is between \$ 8.2 and \$ 78.0 per policy, increased by inflation. The annual inflation rate was increased by 2.5 %.	Increase
		Unobservable inputs are a market participant's view of the expenses, a risk margin on the uncertainty of the level of expenses and a cost of capital on the capital held in support of the liabilities.	Expense risk margin	9.4 %		Decrease
			Cost of capital	9.8 %	3.7 % - 13.9 %	Increase
		Discounted cash flow	Mortality Rate	5.5 %		Increase
			Surrender Rate	2.0 %		Increase

- (1) In determining certain of these inputs, management evaluates a variety of factors including economic conditions, industry and market developments, market valuations of comparable companies and company specific developments including exit strategies and realization opportunities. KKR has determined that market participants would take these inputs into account when valuing the investments and debt obligations. "LTM" means last twelve months, and "EBITDA" means earnings before interest, taxes, depreciation and amortization.
- (2) Inputs were weighted based on the fair value of the investments included in the range.
- (3) Unless otherwise noted, this column represents the directional change in the fair value of the Level III investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.
- (4) The directional change from an increase in the weight ascribed to the market comparables approach would increase the fair value of the Level III investments if the market comparables approach results in a higher valuation than the discounted cash flow approach and transaction price. The opposite would be true if the market comparables approach results in a lower valuation than the discounted cash flow approach and transaction price.
- (5) The directional change from an increase in the weight ascribed to the discounted cash flow approach would increase the fair value of the Level III investments if the discounted cash flow approach results in a higher valuation than the market comparables approach, transaction price and direct income capitalization approach. The opposite would be true if the discounted cash flow approach results in a lower valuation than the market comparables approach, transaction price and direct income capitalization approach.
- (6) The directional change from an increase in the weight ascribed to the transaction price or milestones would increase the fair value of the Level III investments if the transaction price or milestones results in a higher valuation than the market comparables and discounted cash flow approach. The opposite would be true if the transaction price or milestones results in a lower valuation than the market comparables approach and discounted cash flow approach.
- (7) The directional change from an increase in the weight ascribed to the direct income capitalization approach would increase the fair value of the Level III investments if the direct income capitalization approach results in a higher valuation than the discounted cash flow approach. The opposite would be true if the direct income capitalization approach results in a lower valuation than the discounted cash flow approach.

Notes to Financial Statements (Continued)

- (8) The total energy fair value amount includes multiple investments (in multiple locations throughout North America) that are held in different investment funds and produce varying quantities of oil, condensate, natural gas liquids, and natural gas. Commodity price may be measured using a common volumetric equivalent where one barrel of oil equivalent ("BOE") is determined using the ratio of six thousand cubic feet of natural gas to one barrel of oil, condensate or natural gas liquids. The price per BOE is provided to show the aggregate of all price inputs for the various investments over a common volumetric equivalent although the valuations for specific investments may use price inputs specific to the asset for purposes of our valuations. The discounted cash flows include forecasted production of liquids (oil, condensate, and natural gas liquids) and natural gas with a forecasted revenue ratio of approximately 88 % liquids and 12 % natural gas.
- (9) Consists primarily of investments in common stock, preferred stock, warrants and options of companies that are not private equity, real assets, credit, equity method - other or investments of consolidated CFEs.
- (10) The funds withheld receivable at interest has been excluded from the above table. As discussed in Note 12 – Reinsurance, the funds withheld receivable at interest is created through funds withheld contracts. The assets supporting these receivables were held in trusts for the benefit of Global Atlantic. Accordingly, the unobservable inputs utilized in the valuation of the embedded derivative are a component of the invested assets supporting the funds withheld reinsurance agreements.

Level III Liabilities	Fair Value March 31, 2024	Valuation Methodologies	Unobservable Input(s) ⁽¹⁾	Weighted Average ⁽²⁾	Range	Impact to Valuation from an Increase in Input ⁽³⁾
ASSET MANAGEMENT AND STRATEGIC HOLDINGS						
Unfunded Revolver Commitments	\$ 95,004	Yield Analysis	Yield	9.6 %	9.1 % - 11.3 %	Decrease
INSURANCE⁽⁴⁾						
Policy liabilities	\$ 1,337,563	<i>Policy liabilities under fair value option:</i> Present value of best estimate liability cash flows. Unobservable inputs include a market participant view of the risk margin included in the discount rate which reflects the variability of the cash flows. Policyholder behavior is also a significant unobservable input, including lapse, surrender and mortality. <i>Market risk benefit:</i> Fair value using a non-option and option valuation approach Policyholder behavior is also a significant unobservable input, including lapse, surrender, and mortality.				
			Risk Margin Rate	0.7 %	0.5 % - 0.9 %	Decrease
			Surrender Rate	6.3 %	3.5 % - 7.6 %	Decrease
			Mortality Rate	4.7 %	3.5 % - 9.1 %	Increase
			Instrument-specific credit risk (10 and 30 year)		0.7 % / 0.8 %	Decrease
			Mortality Rate	2.4 %	0.4 % - 29.7 %	Increase
			Surrender Rate	3.9 %	0.1 % - 39.3 %	Increase

Notes to Financial Statements (Continued)

Level III Liabilities	Fair Value March 31, 2024	Valuation Methodologies	Unobservable Input(s) ⁽¹⁾	Weighted Average ⁽²⁾	Range	Impact to Valuation from an Increase in Input ⁽³⁾
Closed block policy liabilities	\$ 1,005,627	Present value of expenses paid from the open block plus the cost of capital held in support of the liabilities.	Expense assumption	\$ 17.4	The average expense assumption is between \$ 8.2 and \$ 17.0 per policy, increased by inflation. The annual inflation rate was increased by 2.5 %.	Increase
			Instrument-specific credit risk	0.7 %		Decrease
			Expense Risk Margin	9.4 %		Decrease
			Cost of Capital	9.8 %		Increase
			Mortality Rate	5.5 %		Increase
			Surrender Rate	2.0 %		Increase
Embedded derivative – interest-sensitive life products	\$ 486,199	Policy persistency is a significant unobservable input.	Lapse Rate	3.3 %	0.5 % - 0.8 %	Decrease
			Mortality Rate	0.8 %		Decrease
			Option Budget Assumption	3.8 %		Increase
			Instrument-specific credit risk	0.7 %		Decrease
Embedded derivative – annuity products	\$ 4,051,405	Policyholder behavior is a significant unobservable input, including utilization and lapse.	Utilization:		0.5 % - 0.8 %	
			Fixed-indexed annuity	3.0 %		Decrease
			Surrender Rate:			
			Retail FIA	13.7 %		Decrease
			Institutional FIA	16.2 %		Decrease
			Mortality Rate:			
			Retail FIA	2.5 %		Decrease
			Institutional FIA	2.1 %		Decrease
			Option Budget Assumption:			
			Retail FIA	2.8 %		Increase
			Institutional FIA	3.3 %		Increase
			Instrument-specific credit risk	0.7 %		Decrease

(1) In determining certain of these inputs, management evaluates a variety of factors including economic conditions, industry and market developments, market valuations of comparable companies and company specific developments including exit strategies and realization opportunities. KKR has determined that market participants would likely take these inputs into account when valuing the investments and debt obligations. "LTM" means last twelve months, and "EBITDA" means earnings before interest, taxes, depreciation and amortization.

(2) Inputs were weighted based on the fair value of the investments included in the range.

(3) Unless otherwise noted, this column represents the directional change in the fair value of the Level III investments that would result from an increase to the corresponding unobservable input. A decrease to the unobservable input would have the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

(4) The fair value of the embedded derivative component of the funds withheld payable at interest has been excluded from the above table. The investments supporting the funds withheld payable at interest balance are held in a trust by Global Atlantic. Accordingly, the unobservable inputs utilized in the valuation of the embedded derivative are a component of the investments supporting the reinsurance cession agreements.

In the table above, certain private equity investments may be valued at cost for a period of time after an acquisition as the best indicator of fair value. In addition, certain valuations of private equity investments may be entirely or partially derived by reference to observable valuation measures for a pending or consummated transaction.

Notes to Financial Statements (Continued)

The various unobservable inputs used to determine the Level III valuations may have similar or diverging impacts on valuation. Significant increases and decreases in these inputs in isolation and interrelationships between those inputs could result in significantly higher or lower fair value measurements as noted in the table above.

Financial Instruments Not Carried At Fair Value

Asset management and strategic holdings financial instruments are primarily measured at fair value on a recurring basis, except as disclosed in Note 16 "Debt Obligations."

The following tables present carrying amounts and fair values of Global Atlantic's financial instruments which are not carried at fair value as of March 31, 2024 and December 31, 2023:

As of March 31, 2024	Carrying Value	Fair Value Hierarchy				Fair Value
		Level I	Level II	Level III		
(\$ in thousands)						
Financial assets:						
Insurance						
Mortgage and other loan receivables	\$ 40,529,043	\$ —	\$ —	\$ 37,957,161	\$ 37,957,161	
Policy loans	1,561,608	—	—	1,587,477	1,587,477	
FHLB common stock and other investments	175,748	—	—	175,748	175,748	
Funds withheld receivables at interest	2,559,732	—	2,559,732	—	2,559,732	
Cash and cash equivalents	8,524,962	8,524,962	—	—	8,524,962	
Restricted cash and cash equivalents	329,149	329,149	—	—	329,149	
Total financial assets	\$ 53,680,242	\$ 8,854,111	\$ 2,559,732	\$ 39,720,386	\$ 51,134,229	
Financial liabilities:						
Insurance						
Policy liabilities – policyholder account balances	\$ 56,260,216	\$ —	\$ 47,544,219	\$ 7,642,870	\$ 55,187,089	
Funds withheld payables at interest	45,182,469	—	45,182,469	—	45,182,469	
Debt obligations	3,086,113	—	—	2,958,773	2,958,773	
Securities sold under agreements to repurchase	854,710	—	854,710	—	854,710	
Total financial liabilities	\$ 105,383,508	\$ —	\$ 93,581,398	\$ 10,601,643	\$ 104,183,041	

Notes to Financial Statements (Continued)

As of December 31, 2023	Carrying Value	Fair Value Hierarchy				Fair Value
		Level I	Level II	Level III		
(\$ in thousands)						
Financial assets:						
Insurance						
Mortgage and other loan receivables	\$ 38,480,525	\$ —	\$ —	\$ 35,539,059	\$ 35,539,059	
Policy loans	1,556,030	—	—	1,341,005	1,341,005	
FHLB common stock and other investments	173,148	—	—	173,148	173,148	
Funds withheld receivables at interest	2,624,984	—	2,624,984	—	2,624,984	
Cash and cash equivalents	11,954,675	11,954,675	—	—	11,954,675	
Restricted cash and cash equivalents	342,954	342,954	—	—	342,954	
Total financial assets	\$ 55,132,316	\$ 12,297,629	\$ 2,624,984	\$ 37,053,212	\$ 51,975,825	
Financial liabilities:						
Insurance						
Policy liabilities – policyholder account balances	\$ 53,821,432	\$ —	\$ 45,395,423	\$ 6,966,991	\$ 52,362,414	
Funds withheld payables at interest	36,786,825	—	36,786,825	—	36,786,825	
Debt obligations	2,587,857	—	—	2,396,587	2,396,587	
Securities sold under agreements to repurchase	1,358,434	—	1,358,434	—	1,358,434	
Total financial liabilities	\$ 94,554,548	\$ —	\$ 83,540,682	\$ 9,363,578	\$ 92,904,260	

Notes to Financial Statements (Continued)

10. FAIR VALUE OPTION

The following table summarizes the financial instruments for which the fair value option has been elected:

	March 31, 2024	December 31, 2023
Assets		
<i>Asset Management and Strategic Holdings</i>		
Credit	\$ 1,481,048	\$ 976,978
Investments of Consolidated CFEs	24,961,635	24,996,298
Real Assets	58,610	59,721
Equity Method - Other	2,497,387	2,283,588
Other Investments	141,404	153,597
Total Asset Management and Strategic Holdings	\$ 29,140,084	\$ 28,470,182
<i>Insurance</i>		
Mortgage and other loan receivables	\$ 686,938	\$ 697,402
Other investments	196,012	232,877
Reinsurance recoverable	965,877	926,035
Total Insurance	\$ 1,848,827	\$ 1,856,314
Total Assets	\$ 30,988,911	\$ 30,326,496
Liabilities		
<i>Asset Management and Strategic Holdings</i>		
Debt Obligations of Consolidated CFEs	\$ 25,075,510	\$ 25,276,404
Total Asset Management and Strategic Holdings	\$ 25,075,510	\$ 25,276,404
<i>Insurance</i>		
Policy liabilities	\$ 1,320,137	\$ 1,322,555
Total Insurance	\$ 1,320,137	\$ 1,322,555
Total Liabilities	\$ 26,395,647	\$ 26,598,959

Notes to Financial Statements (Continued)

The following table presents the net realized and unrealized gains (losses) on financial instruments for which the fair value option was elected:

	Three Months Ended March 31, 2024		
	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total
Assets			
<i>Asset Management and Strategic Holdings</i>			
Credit	\$ (7,473)	\$ 14,856	\$ 7,383
Investments of Consolidated CFEs	5,005	96,973	101,978
Real Assets	—	(1,111)	(1,111)
Equity Method - Other	15,445	(68,243)	(52,798)
Other Investments	—	(123)	(123)
Total Asset Management and Strategic Holdings	\$ 12,977	\$ 42,352	\$ 55,329
<i>Insurance</i>			
Mortgage and other loan receivables	\$ —	\$ (4,388)	\$ (4,388)
Other investments	—	(39,679)	(39,679)
Total Insurance	\$ —	\$ (44,067)	\$ (44,067)
Total Assets	\$ 12,977	\$ (1,715)	\$ 11,262
Liabilities			
<i>Asset Management and Strategic Holdings</i>			
Debt Obligations of Consolidated CFEs	\$ (168)	\$ (78,896)	\$ (79,064)
Total Asset Management and Strategic Holdings	\$ (168)	\$ (78,896)	\$ (79,064)
<i>Insurance</i>			
Policy liabilities	\$ —	\$ 41,101	\$ 41,101
Total Insurance	\$ —	\$ 41,101	\$ 41,101
Total Liabilities	\$ (168)	\$ (37,795)	\$ (37,963)
	Three Months Ended March 31, 2023		
	Net Realized Gains (Losses)	Net Unrealized Gains (Losses)	Total
Assets			
<i>Asset Management and Strategic Holdings</i>			
Credit	\$ (7,753)	\$ (6,971)	\$ (14,724)
Investments of Consolidated CFEs	(5,017)	317,881	312,864
Real Assets	—	(8,303)	(8,303)
Equity Method - Other	33,306	(75,743)	(42,437)
Other Investments	1,636	2,478	4,114
Total Asset Management and Strategic Holdings	\$ 22,172	\$ 229,342	\$ 251,514
<i>Insurance</i>			
Mortgage and other loan receivables	\$ —	\$ (6,344)	\$ (6,344)
Other investments	—	(46,992)	(46,992)
Total Insurance	\$ —	\$ (53,336)	\$ (53,336)
Total Assets	\$ 22,172	\$ 176,006	\$ 198,178
Liabilities			
<i>Asset Management and Strategic Holdings</i>			
Debt Obligations of Consolidated CFEs	\$ —	\$ (376,488)	\$ (376,488)
Total Asset Management and Strategic Holdings	\$ —	\$ (376,488)	\$ (376,488)
<i>Insurance</i>			
Policy liabilities	\$ —	\$ 594	\$ 594
Total Insurance	\$ —	\$ 594	\$ 594
Total Liabilities	\$ —	\$ (375,894)	\$ (375,894)

Notes to Financial Statements (Continued)

11. INSURANCE INTANGIBLES, UNEARNED REVENUE RESERVES AND UNEARNED FRONT-END LOADS

The following reflects the reconciliation of the components of insurance intangibles to the total balance reported in the consolidated statements of financial condition as of March 31, 2024 and December 31, 2023:

	March 31,	December 31,
	2024	2023
Deferred acquisition costs	\$ 1,260,724	\$ 1,154,697
Value of business acquired	1,230,964	1,252,984
Cost-of-reinsurance intangibles	2,365,235	2,043,143
Total insurance intangibles	\$ 4,856,923	\$ 4,450,824

Deferred acquisition costs

The following tables reflect the deferred acquisition costs roll-forward by product category for the three months ended March 31, 2024 and 2023:

Three months ended March 31, 2024					
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Other	Total
Balance, as of the beginning of the period	\$ 373,863	\$ 481,970	\$ 132,079	\$ 166,785	\$ 1,154,697
Capitalizations	75,597	58,366	3,291	18,605	155,859
Amortization expense	(23,718)	(19,709)	(2,187)	(4,218)	(49,832)
Balance, as of the end of the period	\$ 425,742	\$ 520,627	\$ 133,183	\$ 181,172	\$ 1,260,724

Three months ended March 31, 2023					
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Other	Total
Balance, as of the beginning of the period	\$ 221,679	\$ 367,813	\$ 116,021	\$ 115,457	\$ 820,970
Capitalizations	59,969	52,469	11,128	17,112	140,678
Amortization expense	(13,607)	(12,930)	(1,258)	(3,385)	(31,180)
Balance, as of the end of the period	\$ 268,041	\$ 407,352	\$ 125,891	\$ 129,184	\$ 930,468

Value of business acquired

The following tables reflect the value of business acquired, or "VOBA" asset roll-forward by product category for the three months ended March 31, 2024 and 2023:

Three months ended March 31, 2024						
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Variable annuities	Other	Total
Balance, as of the beginning of the period	\$ 44,922	\$ 621,372	\$ 262,942	\$ 245,042	\$ 78,706	\$ 1,252,984
Amortization expense	(939)	(10,719)	(3,453)	(5,201)	(1,708)	(22,020)
Balance, as of the end of the period	\$ 43,983	\$ 610,653	\$ 259,489	\$ 239,841	\$ 76,998	\$ 1,230,964

Three months ended March 31, 2023						
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Variable annuities	Other	Total
Balance, as of the beginning of the period	\$ 48,762	\$ 663,296	\$ 276,795	\$ 241,778	\$ 85,898	\$ 1,316,529
Amortization expense	(972)	(10,358)	(3,048)	(6,370)	(1,854)	(22,602)
Balance, as of the end of the period	\$ 47,790	\$ 652,938	\$ 273,747	\$ 235,408	\$ 84,044	\$ 1,293,927

Notes to Financial Statements (Continued)

The following tables reflect the negative value of business acquired, or "negative VOBA" liability roll-forward by product category for the three months ended March 31, 2024 and 2023:

Three months ended March 31, 2024						
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Variable annuities	Other	Total
Balance, as of the beginning of the period	\$ 65,966	\$ 106,538	\$ 421,213	\$ 91,295	\$ 182,920	\$ 867,932
Amortization expense	(6,543)	(8,849)	(9,794)	(1,567)	(3,401)	(30,154)
Balance, as of the end of the period	\$ 59,423	\$ 97,689	\$ 411,419	\$ 89,728	\$ 179,519	\$ 837,778

Three months ended March 31, 2023						
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Variable annuities	Other	Total
Balance, as of the beginning of the period	\$ 98,342	\$ 145,610	\$ 461,592	\$ 99,776	\$ 198,804	\$ 1,004,124
Amortization expense	(8,720)	(10,036)	(8,144)	(2,423)	(5,349)	(34,672)
Balance, as of the end of the period	\$ 89,622	\$ 135,574	\$ 453,448	\$ 97,353	\$ 193,455	\$ 969,452

Unearned revenue reserves and unearned front-end loads

Three Months Ended March 31,		
	2024	2023
	Preneed	
Balance, as of the beginning of the period	\$ 178,053	\$ 118,186
Deferral	17,453	17,791
Amortized to income during the year	(3,725)	(2,517)
Balance, as of the end of the period	\$ 191,781	\$ 133,460

Notes to Financial Statements (Continued)

12. REINSURANCE

Global Atlantic maintains a number of reinsurance treaties with third parties whereby Global Atlantic assumes annuity and life policies on a coinsurance, modified coinsurance or funds withheld basis. Global Atlantic also maintains other reinsurance treaties including the cession of certain annuity, life and health policies.

The effects of all reinsurance agreements on the consolidated statements of financial condition were as follows:

	March 31, 2024	December 31, 2023
Policy liabilities:		
Direct	\$ 78,687,136	\$ 75,715,857
Assumed	94,911,550	84,342,414
Total policy liabilities	173,598,686	160,058,271
Ceded ⁽¹⁾	(43,953,900)	(35,773,958)
Net policy liabilities	\$ 129,644,786	\$ 124,284,313

(1) Reported within reinsurance recoverable within the consolidated statements of financial condition.

A key credit quality indicator is a counterparty's AM Best financial strength rating. A.M. Best ratings are an independent opinion of a reinsurer's ability to meet ongoing obligations to policyholders. Global Atlantic mitigates counterparty credit risk by requiring collateral and credit enhancements in various forms including engaging in funds withheld at interest and modified coinsurance transactions. The following shows the amortized cost basis of Global Atlantic's reinsurance recoverable and funds withheld receivable at interest by credit quality indicator and any associated credit enhancements Global Atlantic has obtained to mitigate counterparty credit risk:

	As of March 31, 2024			As of December 31, 2023		
A.M. Best Rating ⁽¹⁾	Reinsurance recoverable and funds withheld receivable at interest	Credit enhancements ⁽²⁾	Net reinsurance credit exposure ⁽³⁾	Reinsurance recoverable and funds withheld receivable at interest	Credit enhancements ⁽²⁾	Net reinsurance credit exposure ⁽³⁾
A++	\$ 44,895	\$ —	\$ 44,895	\$ 38,857	\$ —	\$ 38,857
A+	1,779,822	—	1,779,822	1,801,954	—	1,801,954
A	2,223,845	—	2,223,845	2,212,800	—	2,212,800
A-	4,259,094	3,728,593	530,501	4,430,484	3,814,976	615,508
B++	1,065	—	1,065	589	—	589
B+	—	—	—	—	—	—
B	—	—	—	—	—	—
B-	—	—	—	—	—	—
C++/C+	(228)	—	—	(228)	—	—
Not rated or private rating ⁽⁴⁾	38,537,428	38,911,132	—	30,859,068	30,210,350	648,718
Total	\$ 46,845,921	\$ 42,639,725	\$ 4,580,128	\$ 39,343,524	\$ 34,025,326	\$ 5,318,426

(1) Ratings are periodically updated (at least annually) as A.M. Best issues new ratings.

(2) Credit enhancements primarily include funds withheld payable at interest.

(3) Includes credit loss allowance of \$ 24.8 million and \$ 21.0 million as of March 31, 2024 and December 31, 2023, respectively, held against reinsurance recoverable and funds withheld receivable at interest.

(4) Includes \$ 38.5 billion and \$ 30.8 billion as of March 31, 2024 and December 31, 2023, respectively, associated with cessions to co-investment vehicles (the "sponsored reinsurance sidecar vehicles") that participate in qualifying reinsurance transactions sourced by Global Atlantic.

As of both March 31, 2024 and December 31, 2023, Global Atlantic had \$ 2.7 billion of funds withheld receivable at interest with six counterparties related to modified coinsurance and funds withheld contracts. The assets supporting the funds withheld receivable at interest balance are held in trusts for the benefit of Global Atlantic.

Notes to Financial Statements (Continued)

The effects of reinsurance on the consolidated statements of operations were as follows:

	Three Months Ended March 31,	
	2024	2023
Net premiums:		
Direct	\$ 34,863	\$ 32,653
Assumed	9,109,378	618,730
Ceded	(3,107,719)	(177,759)
Net premiums	\$ 6,036,522	\$ 473,624

	Three Months Ended March 31,	
	2024	2023
Policy fees:		
Direct	\$ 226,322	\$ 227,857
Assumed	174,418	104,589
Ceded	(71,793)	(18,644)
Net policy fees	\$ 328,947	\$ 313,802

	Three Months Ended March 31,	
	2024	2023
Net policy benefits and claims:		
Direct	\$ 844,660	\$ 948,119
Assumed	9,899,999	1,016,936
Ceded	(3,483,590)	(438,001)
Net policy benefits and claims	\$ 7,261,069	\$ 1,527,054

Global Atlantic holds collateral for and provides collateral to its reinsurance clients. Global Atlantic held \$ 45.1 billion and \$ 36.7 billion of collateral in the form of funds withheld payable at interest on behalf of its reinsurers as of March 31, 2024 and December 31, 2023, respectively. As of both March 31, 2024 and December 31, 2023, reinsurers held collateral of \$ 1.2 billion on behalf of Global Atlantic. A significant portion of the collateral that Global Atlantic provides to its reinsurance clients is provided in the form of assets held in a trust for the benefit of the counterparty. As of March 31, 2024 and December 31, 2023, these trusts held in excess of the \$ 92.9 billion and \$ 81.8 billion of assets they are required to hold in order to support reserves of \$ 90.0 billion and \$ 79.4 billion, respectively. Of the cash held in trust, Global Atlantic classified \$ 75.1 million and \$ 90.8 million as restricted as of March 31, 2024 and December 31, 2023, respectively.

Notes to Financial Statements (Continued)

13. NET INCOME (LOSS) ATTRIBUTABLE TO KKR & CO. INC. PER SHARE OF COMMON STOCK

For the three months ended March 31, 2024 and 2023, basic and diluted Net Income (Loss) attributable to KKR & Co. Inc. per share of common stock were calculated as follows:

	Three Months Ended March 31,	
	2024	2023
Net Income (Loss) Available to KKR & Co. Inc.		
Common Stockholders - Basic	\$ 682,214	\$ 322,744
(+) Series C Mandatory Convertible Preferred Dividend (if dilutive) ⁽¹⁾	—	—
Net Income (Loss) Available to KKR & Co. Inc.		
Common Stockholders - Diluted	\$ 682,214	\$ 322,744
Basic Net Income (Loss) Per Share of Common Stock		
Weighted Average Shares of Common Stock Outstanding - Basic	885,005,824	861,108,510
Net Income (Loss) Attributable to KKR & Co. Inc.		
Per Share of Common Stock - Basic	\$ 0.77	\$ 0.37
Diluted Net Income (Loss) Per Share of Common Stock		
Weighted Average Shares of Common Stock Outstanding - Basic	885,005,824	861,108,510
Incremental Common Shares:		
Assumed vesting of dilutive equity awards ⁽²⁾	40,135,342	26,060,826
Assumed conversion of Series C Mandatory Convertible Preferred Stock ⁽¹⁾	—	—
Weighted Average Shares of Common Stock Outstanding - Diluted	925,141,166	887,169,336
Net Income (Loss) Attributable to KKR & Co. Inc.		
Per Share of Common Stock - Diluted	\$ 0.74	\$ 0.36

- (1) For the three months ended March 31, 2023, the impact of Series C Mandatory Convertible Preferred Stock calculated under the if-converted method was anti-dilutive, and as such (i) shares of common stock (assuming a conversion ratio based on the average volume weighted average price per share of common stock over each reporting period) were not included in the Weighted Average Shares of Common Stock Outstanding - Diluted and (ii) Series C Mandatory Convertible Preferred dividends were not added back to Net Income (Loss) Available to KKR & Co. Inc. Common Stockholders - Diluted.
- (2) For the three months ended March 31, 2024 and 2023, Weighted Average Shares of Common Stock Outstanding – Diluted includes unvested equity awards, including certain equity awards that have met their market price-based vesting condition but have not satisfied their service-based vesting condition. Vesting of these equity awards dilute equity holders of KKR Group Partnership, including KKR & Co. Inc. and holders of exchangeable securities pro rata in accordance with their respective ownership interests in KKR Group Partnership.

Exchangeable Securities

For the three months ended March 31, 2024 and 2023, vested restricted holdings units (as defined in Note 19 "Equity Based Compensation") have been excluded from the calculation of Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted since the exchange of these units would not dilute KKR & Co. Inc.'s ownership interests in KKR Group Partnership. See Note 1 "Organization" in our financial statements.

	Three Months Ended March 31,	
	2024	2023
Weighted Average Vested Restricted Holdings Units	5,739,616	2,695,142

Market Condition Awards

For the three months ended March 31, 2024 and 2023, 33.0 million and 22.5 million, respectively, of unvested equity awards that are subject to market price based and service-based vesting conditions were excluded from the calculation of Net Income (Loss) Attributable to KKR & Co. Inc. Per Share of Common Stock - Diluted since the market price based vesting condition was not satisfied. See Note 19 "Equity Based Compensation" in our financial statements.

Notes to Financial Statements (Continued)

14. OTHER ASSETS AND ACCRUED EXPENSES AND OTHER LIABILITIES

Other Assets consist of the following:

	March 31, 2024	December 31, 2023
<i>Asset Management and Strategic Holdings</i>		
Unsettled Investment Sales ⁽¹⁾	\$ 295,141	\$ 271,544
Receivables	66,066	55,602
Due from Broker ⁽²⁾	81,585	76,075
Deferred Tax Assets, net	44,477	48,580
Interest Receivable	380,014	351,999
Fixed Assets, net ⁽³⁾	855,621	863,096
Foreign Exchange Contracts and Options ⁽⁴⁾	294,511	264,621
Goodwill ⁽⁵⁾	526,089	558,279
Intangible Assets ⁽⁶⁾	1,514,797	1,624,648
Derivative Assets	4,258	4,792
Prepaid Taxes	109,774	211,966
Prepaid Expenses	51,775	56,828
Operating Lease Right of Use Assets ⁽⁷⁾	341,879	358,684
Deferred Financing Costs	15,500	19,213
Other	288,088	209,296
Total Asset Management and Strategic Holdings	\$ 4,869,575	\$ 4,975,223
<i>Insurance</i>		
Unsettled Investment Sales ⁽¹⁾ and Derivative Collateral Receivables	\$ 475,490	\$ 27,562
Deferred Tax Assets, net	2,439,636	2,273,757
Derivative Assets	28,384	45,694
Accrued Investment Income	1,356,917	1,220,781
Goodwill	501,496	501,496
Intangible Assets and Deferred Sales Inducements ⁽⁸⁾	258,075	258,529
Operating Lease Right of Use Assets ⁽⁷⁾	171,570	172,955
Premiums and Other Account Receivables	221,851	188,136
Other	154,501	152,486
Prepaid Taxes	—	42,294
Market Risk Benefit Asset	31	17
Total Insurance	\$ 5,607,951	\$ 4,883,707
Total Other Assets	\$ 10,477,526	\$ 9,858,930

(1) Represents amounts due from third parties for investments sold for which cash settlement has not occurred.

(2) Represents amounts held at clearing brokers resulting from securities transactions.

(3) Net of accumulated depreciation and amortization of \$ 275.3 million and \$ 257.4 million as of March 31, 2024 and December 31, 2023, respectively. Depreciation and amortization expense of \$ 17.9 million and \$ 15.8 million, for the three months ended March 31, 2024 and 2023, respectively, are included in General, Administrative and Other in the accompanying consolidated statements of operations. Additionally, KKR's fixed assets are predominantly located in the United States.

(4) Represents derivative financial instruments used to manage foreign exchange risk arising from certain foreign currency denominated investments. Such instruments are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 4 "Net Gains (Losses) from Investment Activities - Asset Management and Strategic Holdings" in our financial statements for the net changes in fair value associated with these instruments.

(5) As of March 31, 2024, the carrying value of goodwill is recorded and assessed for impairment at the reporting unit. As of March 31, 2024, there are approximately \$(66.4) million of cumulative foreign currency translation adjustments included in AOCI related to the goodwill recorded as result of the acquisition of KJRM.

(6) As of March 31, 2024, there are approximately \$(226.4) million of cumulative foreign currency translation adjustments included in AOCI related to the intangible assets recorded as result of the acquisition of KJRM.

(7) For Asset Management, non-cancelable operating leases consist of leases for office space in North America, Europe, Asia and Australia. KKR is the lessee under the terms of the operating leases. The operating lease cost was \$ 16.6 million and \$ 15.7 million for the three months ended March 31, 2024 and 2023, respectively. For Insurance, non-cancelable operating leases consist of leases for office space and land in the U.S. For the three months ended March 31, 2024 and 2023, the operating lease cost was \$ 5.5 million and \$ 6.8 million, respectively.

(8) The definite life intangible assets are amortized using the straight-line method over the useful life of the assets which is an average of 14 years. The indefinite life intangible assets are not subject to amortization. The amortization expense of definite life intangible assets was \$ 4.4 million for both the three months ended March 31, 2024 and 2023.

Notes to Financial Statements (Continued)

Accrued Expenses and Other Liabilities consist of the following:

	March 31, 2024	December 31, 2023
<i>Asset Management and Strategic Holdings</i>		
Amounts Payable to Carry Pool ⁽¹⁾	\$ 3,512,458	\$ 2,664,694
Unsettled Investment Purchases ⁽²⁾	833,986	574,986
Securities Sold Short ⁽³⁾	168,262	149,136
Derivative Liabilities	17	2,382
Accrued Compensation and Benefits	205,734	210,625
Interest Payable	486,206	492,501
Foreign Exchange Contracts and Options ⁽⁴⁾	321,024	441,608
Accounts Payable and Accrued Expenses	285,698	221,851
Taxes Payable	93,423	39,255
Uncertain Tax Positions	24,470	23,579
Unfunded Revolver Commitments	95,004	94,683
Operating Lease Liabilities ⁽⁵⁾	344,646	360,852
Deferred Tax Liabilities, net	2,412,737	2,370,118
Other Liabilities	84,707	72,145
Total Asset Management and Strategic Holdings	\$ 8,868,372	\$ 7,718,415
<i>Insurance</i>		
Unsettled Investment Purchases ⁽²⁾ and Derivative Collateral Liabilities	\$ 1,043,257	\$ 205,669
Securities Sold Under Agreements to Repurchase	854,710	1,358,434
Accrued Expenses	629,548	607,262
Insurance Operations Balances in Course of Settlement	300,490	250,367
Operating Lease Liabilities ⁽⁵⁾	193,212	193,566
Derivative Liabilities	154,711	146,197
Accrued Employee Related Expenses	64,340	370,984
Interest Payable	49,799	15,894
Tax Payable to Former Parent Company	47,841	62,545
Accounts and Commissions Payable	26,797	32,104
Other Tax Related Liabilities	14,315	12,984
Current Income Tax Payable	5,424	—
Total Insurance	\$ 3,384,444	\$ 3,256,006
Total Accrued Expenses and Other Liabilities	\$ 12,252,816	\$ 10,974,421

- (1) Represents the amount of carried interest payable to current and former KKR employees arising from KKR's investment funds and co-investment vehicles that provide for carried interest.
- (2) Represents amounts owed to third parties for investment purchases for which cash settlement has not occurred.
- (3) Represents the obligations of KKR to deliver a specified security at a future point in time. Such securities are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 4 "Net Gains (Losses) from Investment Activities - Asset Management and Strategic Holdings" in our financial statements for the net changes in fair value associated with these instruments.
- (4) Represents derivative financial instruments used to manage foreign exchange risk arising from certain foreign currency denominated investments. Such instruments are measured at fair value with changes in fair value recorded in Net Gains (Losses) from Investment Activities in the accompanying consolidated statements of operations. See Note 4 "Net Gains (Losses) from Investment Activities - Asset Management and Strategic Holdings" in our financial statements for the net changes in fair value associated with these instruments.
- (5) For Asset Management, operating leases for office space have remaining lease terms that range from approximately 1 year to 17 years, some of which include options to extend the leases from 5 years to 10 years. The weighted average remaining lease terms were 10.3 years and 10.3 years as of March 31, 2024 and December 31, 2023, respectively. The weighted average discount rates were 2.9 % and 2.9 % as of March 31, 2024 and December 31, 2023, respectively. For Insurance, operating leases for office space have remaining lease terms that range from approximately 1 year to 11 years, some of which include options to extend the leases for up to 10 years. The weighted average remaining lease terms were 7.5 years and 7.6 years as of March 31, 2024 and December 31, 2023, respectively. The weighted average discount rates were 4.5 % and 4.4 % as of March 31, 2024 and December 31, 2023, respectively. The weighted average remaining lease terms for land were 42.7 years and 43.7 years as of March 31, 2024 and December 31, 2023, respectively.

Notes to Financial Statements (Continued)

15. VARIABLE INTEREST ENTITIES

Consolidated VIEs

KKR consolidates certain VIEs in which it is determined that KKR is the primary beneficiary. The consolidated VIEs are predominately CLOs and certain investment funds sponsored by KKR. The primary purpose of these VIEs is to provide strategy specific investment opportunities to earn investment gains, current income or both in exchange for management fees and performance income. KKR's investment strategies differ for these VIEs; however, the fundamental risks have similar characteristics, including loss of invested capital and loss of management fees and performance income. KKR does not provide performance guarantees and has no other financial obligation to provide funding to these consolidated VIEs, beyond amounts previously committed, if any. Furthermore, KKR consolidates certain VIEs that are formed by Global Atlantic to hold investments, including investments in transportation, renewable energy, consumer and other loans and fixed maturity securities.

Unconsolidated VIEs

KKR holds variable interests in certain VIEs which are not consolidated as it has been determined that KKR is not the primary beneficiary. VIEs that are not consolidated predominantly include certain investment funds sponsored by KKR as well as certain investment partnerships where Global Atlantic retains an economic interest. KKR's investment strategies differ by investment fund; however, the fundamental risks have similar characteristics, including loss of invested capital and loss of management fees and performance income. KKR's maximum exposure to loss as a result of its investments in the unconsolidated investment funds is the carrying value of such investments, including KKR's capital interest and any unrealized carried interest. Accordingly, disaggregation of KKR's involvement by type of unconsolidated investment fund would not provide more useful information. For these unconsolidated investment funds in which KKR is the sponsor, KKR may have an obligation as general partner to provide commitments to such investment funds. As of March 31, 2024, KKR's commitments to these unconsolidated investment funds were \$ 2.6 billion. KKR has not provided any financial support other than its obligated amount as of March 31, 2024. Additionally, Global Atlantic also has unfunded commitments of \$ 26.7 million in relation to other limited partnership interests as of March 31, 2024.

As of March 31, 2024 and December 31, 2023, the maximum exposure to loss, before allocations to the carry pool and noncontrolling interests, if any, for those VIEs in which KKR is determined not to be the primary beneficiary but in which it has a variable interest is as follows:

<i>Asset Management and Strategic Holdings</i>	March 31, 2024	December 31, 2023
Investments	\$ 8,950,579	\$ 7,877,904
Due from (to) Affiliates, net	1,151,902	1,097,939
Maximum Exposure to Loss	\$ 10,102,481	\$ 8,975,843
<i>Insurance</i>		
Other Investment Partnerships	\$ 740,835	\$ 169,265
Investment in Renewable Energy	55,325	55,485
Maximum Exposure to Loss	\$ 796,160	\$ 224,750
Total Maximum Exposure to Loss	\$ 10,898,641	\$ 9,200,593

16. DEBT OBLIGATIONS**Asset Management and Strategic Holdings Debt Obligations**

KKR enters into credit agreements and issues debt for its general operating and investment purposes. KKR consolidates and reports debt obligations of KKR Financial Holdings LLC, a KKR subsidiary ("KFN"), which are non-recourse to KKR beyond the assets of KFN. From time to time, KKR may provide credit support for the funding obligations of its subsidiaries.

Certain of KKR's consolidated investment funds have entered into financing arrangements with financial institutions, generally to provide liquidity to such investment funds. These financing arrangements are generally not direct obligations of the general partners of KKR's investment funds (beyond KKR's capital interest) or its management companies. Such borrowings have varying maturities and bear interest at floating rates. Borrowings are generally secured by the investment purchased with the proceeds of the borrowing and/or the uncalled capital commitment of each respective fund. When an investment vehicle borrows, the proceeds are available only for use by that investment vehicle and are not available for the benefit of other investment vehicles or KKR. Collateral within each investment vehicle is also available only against borrowings by that investment vehicle and not against the borrowings of other investment vehicles or KKR.

In certain other cases, investments and other assets held directly by majority-owned consolidated investment vehicles and other entities have been funded with borrowings that are collateralized by the investments and assets they own. These borrowings are non-recourse to KKR beyond the investments or assets serving as collateral or the capital that KKR has committed to fund such investment vehicles. Such borrowings have varying maturities and generally bear interest at fixed rates.

In addition, consolidated CFEs issue debt securities to third-party investors which are collateralized by assets held by the CFE. Debt securities issued by CFEs are supported solely by the assets held at the CFEs and are not collateralized by assets of any other KKR entity. CFEs also may have warehouse facilities with banks to provide liquidity to the CFE. The CFE's debt obligations are non-recourse to KKR beyond the assets of the CFE.

Notes to Financial Statements (Continued)

KKR's Asset Management and Strategic Holdings debt obligations consisted of the following:

	March 31, 2024			December 31, 2023		
	Financing Available	Borrowing Outstanding	Fair Value	Financing Available	Borrowing Outstanding	Fair Value
Revolving Credit Facilities:						
Corporate Credit Agreement	\$ 1,500,000	\$ —	\$ —	\$ 1,500,000	\$ —	\$ —
KCM Credit Facility ⁽¹⁾	717,399	—	—	736,492	—	—
KCM 364-Day Revolving Credit Facility	750,000	—	—	750,000	—	—
Notes Issued: ⁽²⁾						
KKR ¥ 5 billion (or \$ 33.0 million)						
0.764 % Notes Due 2025 ⁽⁵⁾	—	32,925	32,963	—	35,316	35,390
KKR ¥ 36.4 billion (or \$ 240.5 million)						
1.054 % Notes Due 2027 ⁽⁵⁾	—	239,589	238,111	—	257,132	255,840
KKR ¥ 44.7 billion (or \$ 295.3 million)						
1.428 % Notes Due 2028 ⁽⁵⁾	—	294,043	293,777	—	315,599	315,217
KKR € 650 million (or \$ 701.7 million)						
1.625 % Notes Due 2029 ⁽⁵⁾	—	696,881	629,560	—	712,331	646,248
KKR \$ 750 million 3.750 % Notes Due 2029 ⁽⁷⁾	—	745,333	700,613	—	726,331	684,323
KKR ¥ 4.9 billion (or \$ 32.4 million)						
1.244 % Notes Due 2029 ⁽⁵⁾	—	31,986	31,675	—	34,339	33,985
KKR ¥ 1.8 billion (or \$ 11.9 million)						
1.614 % Notes Due 2030 ⁽⁵⁾	—	11,589	11,673	—	12,448	12,514
KKR \$ 750 million 4.850 % Notes Due 2032 ⁽⁵⁾	—	742,767	725,520	—	742,545	733,163
KKR ¥ 6.2 billion (or \$ 41.0 million)						
1.437 % Notes Due 2032 ⁽⁵⁾	—	40,476	39,392	—	43,461	42,155
KKR ¥ 1.5 billion (or \$ 9.9 million)						
1.939 % Notes Due 2033 ⁽⁵⁾	—	9,599	9,662	—	10,316	10,322
KKR ¥ 7.5 billion (or \$ 49.6 million)						
1.553 % Notes Due 2034 ⁽⁵⁾	—	48,980	46,706	—	52,595	49,937
KKR ¥ 5.5 billion (or \$ 36.3 million)						
1.795 % Notes Due 2037 ⁽⁵⁾	—	35,799	33,446	—	38,450	35,742
KKR ¥ 10.3 billion (or \$ 68.1 million)						
1.595 % Notes Due 2038 ⁽⁵⁾	—	67,191	60,555	—	72,161	64,646
KKR ¥ 3 billion (or \$ 19.8 million)						
2.312 % Notes Due 2038 ⁽⁵⁾	—	19,429	18,912	—	20,874	20,272
KKR \$ 500 million 5.500 % Notes Due 2043 ⁽⁷⁾	—	490,783	481,993	—	490,728	475,022
KKR ¥ 4.5 billion (or \$ 29.7 million)						
2.574 % Notes Due 2043 ⁽⁵⁾	—	29,241	27,694	—	31,413	29,723
KKR \$ 1 billion 5.125 % Notes Due 2044 ⁽⁷⁾	—	963,536	896,327	—	963,674	887,286
KKR \$ 500 million 3.625 % Notes Due 2050 ⁽⁵⁾	—	493,086	364,765	—	493,020	358,580
KKR \$ 750 million 3.500 % Notes Due 2050 ⁽⁷⁾	—	737,055	526,649	—	734,437	527,183
KKR \$ 750 million 3.250 % Notes Due 2051 ⁽⁵⁾	—	740,272	504,210	—	740,184	516,038
KKR ¥ 6 billion (or \$ 39.6 million)						
2.747 % Notes Due 2053 ⁽⁵⁾	—	39,030	34,849	—	41,929	37,801
KKR \$ 500 million 4.625 % Notes Due 2061 ⁽⁶⁾	—	486,844	399,200	—	486,755	377,400
KFN \$ 500 million 5.500 % Notes Due 2032 ⁽³⁾	—	496,118	456,201	—	495,997	455,340
KFN \$ 120 million 5.200 % Notes Due 2033 ⁽³⁾	—	118,925	106,283	—	118,895	106,030
KFN \$ 70 million 5.400 % Notes Due 2033 ⁽³⁾	—	69,162	62,757	—	69,140	62,648
KFN Issued Junior Subordinated Notes ⁽⁴⁾	—	239,133	216,175	—	238,801	208,902
	2,967,399	7,919,772	6,949,668	2,986,492	7,978,871	6,981,707
Other Debt Obligations ⁽¹⁾⁽⁷⁾	7,255,481	37,133,867	36,984,301	6,618,692	36,907,999	36,699,920
	\$ 10,222,880	\$ 45,053,639	\$ 43,933,969	\$ 9,605,184	\$ 44,886,870	\$ 43,681,627

(1) Financing available is reduced by the dollar amounts specified in any issued letters of credit.

(2) Borrowing outstanding includes: (i) unamortized note discount (net of premium), as applicable and (ii) unamortized debt issuance costs, as applicable. Financing costs related to

the issuance of the notes have been deducted from the note liability and are being amortized over the life of the notes.

Notes to Financial Statements (Continued)

- (3) These debt obligations are classified as Level III within the fair value hierarchy and valued using the same valuation methodologies as KKR's Level III credit investments.
- (4) KKR consolidates KFN and reports KFN's outstanding \$ 258.5 million aggregate principal amount of junior subordinated notes. The weighted average interest rate is 8.0 % and 8.1 % and the weighted average years to maturity is 12.5 years and 12.8 years as of March 31, 2024 and December 31, 2023, respectively.
- (5) The notes are classified as Level II within the fair value hierarchy and fair value is determined by third party broker quotes.
- (6) The notes are classified as Level I within the fair value hierarchy and fair value is determined by quoted prices in active markets since the debt is publicly listed.
- (7) As of March 31, 2024 and December 31, 2023, the borrowing outstanding and fair value reflects the elimination for the portion of these debt obligations that are held by Global Atlantic.

KCM 364-Day Revolving Credit Facility

On April 4, 2024, KKR Capital Markets Holdings L.P. and certain other capital markets subsidiaries (the "KCM Borrowers") replaced their existing 364-day revolving credit agreement with a new 364-day revolving credit agreement (the "KCM 364-Day Revolving Credit Facility") with Mizuho Bank, Ltd., as administrative agent, and one or more lenders party thereto. The KCM 364-Day Revolving Credit Facility replaces the prior 364-day revolving credit facility, dated as of April 7, 2023, between the KCM Borrowers and the administrative agent, and one or more lenders party to the prior facility, which was terminated according to its terms on April 4, 2024. The KCM 364-Day Revolving Credit Facility provides for revolving borrowings up to \$ 750 million, expires on April 3, 2025, and ranks pari passu with the existing \$ 750 million revolving credit facility provided by them for KKR's capital markets business (the "KCM Credit Facility").

If a borrowing is made under the KCM 364-Day Revolving Credit Agreement, the interest rate will vary depending on the type of drawdown requested. If the borrowing is (i) denominated in U.S. dollars and a term rate, it will be based on the term Secured Overnight Financing Rate ("SOFR"), (ii) denominated in euros, it will be based on EURIBOR and (iii) denominated in pounds sterling, it will be based on the Sterling Overnight Interbank Average Rate ("SONIA"), in each case, plus the applicable margin which ranges initially between 1.50 % and 2.75 %, depending on the duration of the loan. If the borrowing is an ABR Loan, it will be based on the greater of (i) the federal funds rate plus 0.50 % and (ii) term SOFR for one-month tenor plus 1.00 %, in each case, plus the applicable margin which ranges initially between 0.50 % and 1.75 % depending on the amount and nature of the loan. Borrowings under the KCM 364-Day Revolving Credit Agreement may only be used to facilitate the settlement of debt transactions syndicated by KKR's capital markets business. Obligations under the KCM 364-Day Revolving Credit Agreement are limited to the KCM Borrowers, which are solely entities involved in KKR's capital markets business, and liabilities under the KCM 364-Day Revolving Credit Agreement are non-recourse to other parts of KKR.

The KCM 364-Day Revolving Credit Facility contains customary representations and warranties, events of default, and affirmative and negative covenants, including a financial covenant providing for a maximum debt to equity ratio for the KCM Borrowers. The KCM Borrowers' obligations under the KCM 364-Day Revolving Credit Facility are secured by certain assets of the KCM Borrowers, including a pledge of equity interests of certain subsidiaries of the KCM Borrowers.

KCM Credit Facility

On April 4, 2024, the KCM Borrowers (as defined above) also entered into a fourth amended and restated 5-year revolving credit agreement (the "KCM Credit Facility") with Mizuho Bank, Ltd., as administrative agent, and the lenders party thereto. This facility provides for revolving borrowings of up to \$ 750 million with a \$ 750 million sublimit for letters of credit, expires on April 4, 2029 and ranks pari passu with the KCM 364-Day Revolving Credit Facility. The prior facility for the KCM Borrowers, dated as of March 20, 2020 (as amended), between the KCM Borrowers, Mizuho Bank, Ltd., as administrative agent, and the lenders party thereto, was terminated according to its terms on April 4, 2024 and replaced by the KCM Credit Facility.

If a borrowing is made on the KCM Credit Facility, the interest rate will vary depending on the type of drawdown requested. If the borrowing is (i) denominated in U.S. dollars and a term rate, it will be based on term SOFR, (ii) denominated in euros, it will be based on EURIBOR and (iii) denominated in pounds sterling, it will be based on SONIA, in each case, plus the applicable margin which ranges initially between 1.75 % and 3.00 %, depending on the amount and nature of the loan. If the loan is an ABR Loan, it will be based on the greater of (i) the federal funds rate plus 0.50 % and (ii) term SOFR for one-month tenor plus 1.00 %, in each case, plus the applicable margin which ranges initially between 0.75 % and 2.00 % depending on the amount and nature of the loan. Obligations under the KCM Credit Facility may only be used for KKR's capital markets business, and its only obligors are entities involved in KKR's capital markets business, and its liabilities are non-recourse to other parts of KKR's business.

Notes to Financial Statements (Continued)

The KCM Credit Facility contains customary representations and warranties, events of default, and affirmative and negative covenants, including a financial covenant providing for a maximum debt to equity ratio for the KCM Borrowers. The KCM Borrowers' obligations under the KCM Credit Facility are secured by certain assets of the KCM Borrowers, including a pledge of equity interests of certain subsidiaries of the KCM Borrowers.

Other Asset Management and Strategic Holdings Debt Obligations

As of March 31, 2024, other debt obligations consisted of the following:

	Financing Available	Borrowing Outstanding	Fair Value	Weighted Average Interest Rate	Weighted Average Remaining Maturity in Years
Financing Facilities of Consolidated Funds and Other ⁽¹⁾	\$ 7,255,481	\$ 12,058,357	\$ 11,908,791	6.5 %	4.7
Debt Obligations of Consolidated CLOs	—	25,075,510	25,075,510	⁽²⁾	9.2
	\$ 7,255,481	\$ 37,133,867	\$ 36,984,301		

(1) Includes borrowings collateralized by fund investments, fund co-investments and other assets held by levered investment vehicles of \$ 2.9 billion.

(2) The senior notes of the consolidated CLOs had a weighted average interest rate of 6.8 %. The subordinated notes of the consolidated CLOs do not have contractual interest rates but instead receive a pro rata amount of the net distributions from the excess cash flows of the respective CLO vehicle. Accordingly, weighted average borrowing rates for the subordinated notes are based on cash distributions during the period, if any.

Debt obligations of consolidated CLOs are collateralized by assets held by each respective CLO vehicle and assets of one CLO vehicle may not be used to satisfy the liabilities of another. As of March 31, 2024, the fair value of the consolidated CLO assets was \$ 27.2 billion. This collateral consisted of Cash and Cash Equivalents, Investments, and Other Assets.

Insurance Debt Obligations

Global Atlantic's debt obligations consisted of the following:

	March 31, 2024			December 31, 2023		
	Financing Available	Borrowing Outstanding	Fair Value ⁽²⁾	Financing Available	Borrowing Outstanding	Fair Value ⁽²⁾
Revolving Credit Facilities:						
Global Atlantic revolving credit facility, due August 2026	\$ 1,000,000	\$ —	\$ —	\$ 800,000	\$ 200,000	\$ 200,000
Notes Issued and Others:						
Global Atlantic senior notes, due October 2029		500,000	465,350		500,000	460,850
Global Atlantic senior notes, due June 2031		650,000	538,785		650,000	533,130
Global Atlantic senior notes, due June 2033		650,000	722,150		650,000	721,175
Global Atlantic senior notes, due March 2054		750,000	770,025		—	—
Global Atlantic subordinated debentures, due October 2051		750,000	676,350		750,000	643,575
		3,300,000	\$ 3,172,660		2,750,000	\$ 2,558,730
Purchase accounting adjustments ⁽¹⁾		39,395			40,173	
Debt issuance costs, net of accumulated amortization		(50,363)			(36,499)	
Fair value loss of hedged debt obligations, recognized in earnings		(202,919)			(165,817)	
		\$ 3,086,113			\$ 2,587,857	

(1) The amortization of the purchase accounting adjustments was \$ 778 thousand for both the three months ended March 31, 2024 and 2023, respectively.

(2) These debt obligations are classified as Level III within the fair value hierarchy and valued using the same valuation methodologies as KKR's Level III credit investments.

Senior Notes Due 2054

Global Atlantic (Fin) Company ("GA FinCo") and Global Atlantic Limited (Delaware) (formerly known as Global Atlantic Financial Limited, "GALD") are both Delaware corporations and wholly-owned indirect subsidiaries of TGAFG, the holding company for the Global Atlantic business.

In March 2024, GA FinCo issued \$ 750 million aggregate principal amount of 6.750 % senior unsecured notes due 2054 (the "GA 2054 Senior Notes"). The GA 2054 Senior Notes were issued pursuant to an indenture, dated October 7, 2019, among GA FinCo, as issuer, GALD, as guarantor, and U.S. Bank National Association, as trustee, and supplemented by the fifth

Notes to Financial Statements (Continued)

supplemental indenture thereto, dated March 15, 2024, among GA FinCo, GALD and the trustee. The GA 2054 Senior Notes are fully and unconditionally guaranteed on a senior unsecured basis by GALD.

The GA 2054 Senior Notes bear interest at a rate of 6.750 % per year. Interest on the GA 2054 Senior Notes is payable semi-annually in arrears on March 15 and September 15 of each year, beginning on September 15, 2024. The GA 2054 Senior Notes will mature on March 15, 2054. GA FinCo may, at its option, redeem some or all of the GA 2054 Senior Notes at any time: (i) prior to September 15, 2053 at a redemption price equal to the greater of 100 % of the principal amount of the GA 2054 Senior Notes to be redeemed and a make-whole payment plus, in either case, accrued and unpaid interest, if any, to the date of redemption; and (ii) on or after September 15, 2053 at a redemption price equal to 100 % of the principal amount of the GA 2054 Senior Notes to be redeemed, plus accrued and unpaid interest to the date of redemption.

Global Atlantic Credit Agreement

In March 2024, GA FinCo repaid \$ 300 million then outstanding indebtedness under the Global Atlantic Credit Agreement with proceeds from the GA 2054 Senior Notes.

In May 2024, subsequent to the end of the quarter, GA FinCo terminated the existing revolving credit facility ("RCF") and replaced it with a new credit agreement with GA FinCo, as borrower, GALD, as guarantor, and Wells Fargo Bank, N.A., as administrative agent, that (1) provides for up to \$ 1.0 billion of revolving borrowings, including up to \$ 500 million of letters of credit, (2) has a maturity of May 2029, and (3) contains customary events of default, representations and warranties and covenants that are substantially similar to those that were in the terminated RCF, including the consolidated debt to capitalization and net worth covenants. Interest on any funded borrowings accrues at SOFR plus a spread ranging from 1.225 % to 1.975 %, based on GALD's long-term issuer credit ratings. The borrower must pay a commitment fee on any unfunded committed balance under the agreement, ranging from 0.125 % to 0.300 % based on the long-term issuer credit rating.

Debt Covenants

Borrowings of KKR (including Global Atlantic) contain various debt covenants. These covenants do not, in management's opinion, materially restrict KKR's operating business or investment strategies as of March 31, 2024. KKR (including Global Atlantic) was in compliance with such debt covenants in all material respects as of March 31, 2024.

17. POLICY LIABILITIES

The following reflects the reconciliation of the components of policy liabilities to the total balance reported in the consolidated statements of financial condition as of March 31, 2024 and December 31, 2023:

	March 31, 2024	December 31, 2023
Policyholders' account balances	\$ 129,509,137	\$ 125,187,354
Liability for future policy benefits	25,410,733	17,823,750
Additional liability for annuitization, death, or other insurance benefits	7,213,357	7,129,785
Market risk benefit liability	1,023,053	1,120,968
Other policy-related liabilities ⁽¹⁾	10,442,406	8,796,414
Total policy liabilities	\$ 173,598,686	\$ 160,058,271

(1) Other policy-related liabilities as of March 31, 2024 and December 31, 2023 primarily consist of negative VOBA (\$ 837.8 million and \$ 867.9 million, respectively), policy liabilities accounted under a fair value option (both \$ 1.2 billion), embedded derivatives associated with contractholder deposit funds (\$ 4.5 billion and \$ 4.0 billion, respectively), cost-of-reinsurance liabilities (\$ 3.0 billion and \$ 1.8 billion, respectively) and outstanding claims (\$ 240.0 million and \$ 235.1 million, respectively).

Notes to Financial Statements (Continued)

Policyholders' account balances

The following reflects the policyholders' account balances roll-forward for the three months ended March 31, 2024 and 2023, and the policyholders' account balances weighted average interest rates, net amount at risk, and cash surrender value as of those dates:

	Three months ended March 31, 2024					
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Funding agreements	Other ⁽¹⁾	Total
Balance as of beginning of period	\$ 56,762,736	\$ 30,168,445	\$ 21,969,053	\$ 7,015,998	\$ 9,271,122	\$ 125,187,354
Issuances and premiums received	4,784,285	1,549,004	312,020	695,933	1,339,437	8,680,679
Benefit payments, surrenders, and withdrawals	(2,879,479)	(1,294,134)	(306,463)	(68,159)	(411,941)	(4,960,176)
Interest ⁽²⁾	498,543	165,239	177,275	69,519	74,324	984,900
Other activity ⁽³⁾	(102,899)	25,879	(305,139)	(21,815)	20,354	(383,620)
Balance as of end of period	\$ 59,063,186	\$ 30,614,433	\$ 21,846,746	\$ 7,691,476	\$ 10,293,296	\$ 129,509,137
Less: reinsurance recoverable	(10,557,317)	(3,189,167)	(7,159,910)	—	(3,830,017)	(24,736,411)
Balance as of end of period, net of reinsurance recoverable	\$ 48,505,869	\$ 27,425,266	\$ 14,686,836	\$ 7,691,476	\$ 6,463,279	\$ 104,772,726
Average interest rate	3.58 %	2.30 %	3.22 %	3.80 %	3.47 %	3.15 %
Net amount at risk, gross of reinsurance ⁽⁴⁾	\$ —	\$ —	\$ 117,008,523	\$ —	\$ 1,161,762	\$ 118,170,285
Cash surrender value ⁽⁵⁾	\$ 45,612,785	\$ 29,313,985	\$ 13,827,297	\$ —	\$ 4,604,037	\$ 93,358,104

(1) "Other" consists of activity related to payout annuities without life contingencies, preneed, variable annuities and life products.

(2) Interest includes interest credited to policyholders' account values, and interest accreted in other components of the policyholder account balance, including investment-type contract values, host amounts for contractholder deposits with embedded derivatives, funding agreements and other associated reserves.

(3) "Other activity" includes policy charges, fees and commissions, transfers, assumption changes, fair value changes and the impact of hedge fair value adjustments.

(4) Net amount at risk represents the difference between the face value of the insurance policy and the reserve accumulated under that same policy.

(5) Cash surrender values are reported net of any applicable surrender charges, net of reinsurance.

	Three months ended March 31, 2023					
	Fixed rate annuities	Fixed indexed annuities	Interest sensitive life	Funding agreements	Other ⁽¹⁾	Total
Balance as of beginning of period	\$ 48,510,703	\$ 29,123,926	\$ 17,397,185	\$ 7,535,489	\$ 9,713,933	\$ 112,281,236
Issuances and premiums received	3,416,916	1,640,745	144,797	—	100,616	5,303,074
Benefit payments, surrenders, and withdrawals	(2,329,373)	(937,627)	(230,514)	(224,107)	(401,156)	(4,122,777)
Interest ⁽²⁾	340,106	114,739	107,298	51,423	74,209	687,775
Other activity ⁽³⁾	(63,346)	(45,130)	(25,172)	86,057	78,474	30,883
Balance as of end of period	\$ 49,875,006	\$ 29,896,653	\$ 17,393,594	\$ 7,448,862	\$ 9,566,076	\$ 114,180,191
Less: reinsurance recoverable	(6,699,771)	(3,311,541)	(3,467,814)	—	(3,119,287)	(16,598,413)
Balance as of end of period, net of reinsurance recoverable	\$ 43,175,235	\$ 26,585,112	\$ 13,925,780	\$ 7,448,862	\$ 6,446,789	\$ 97,581,778
Average interest rate	2.85 %	1.70 %	3.09 %	2.75 %	2.69 %	2.53 %
Net amount at risk, gross of reinsurance ⁽⁴⁾	\$ —	\$ —	\$ 84,498,038	\$ —	\$ 1,182,896	\$ 85,680,934
Cash surrender value ⁽⁵⁾	\$ 40,420,172	\$ 27,236,116	\$ 12,948,054	\$ —	\$ 4,744,008	\$ 85,348,350

(1) "Other" consists of activity related to payout annuities without life contingencies, preneed, variable annuities and life products.

(2) Interest includes interest credited to policyholders' account values, and interest accreted in other components of the policyholder account balance, including investment-type contract values, host amounts for contractholder deposits with embedded derivatives, funding agreements and other associated reserves.

(3) "Other activity" includes policy charges, fees and commissions, transfers, assumption changes, fair value changes and the impact of hedge fair value adjustments.

(4) Net amount at risk represents the difference between the face value of the insurance policy and the reserve accumulated under that same policy.

(5) Cash surrender values are reported net of any applicable surrender charges, net of reinsurance.

Notes to Financial Statements (Continued)

The following table presents the account values by range of guaranteed minimum crediting rates and the related range of difference, in basis points, between rates being credited to policyholders and the respective guaranteed minimums. Account values, as disclosed below, differ from policyholder account balances as they exclude balances associated with index credits, contractholder deposit fund host balances, funding agreements, and other associated reserves. In addition, policyholder account balances include discounts and premiums on assumed business which are not reflected in account values.

As of March 31, 2024

Account values with adjustable crediting rates subject to guaranteed minimums:						
Range of guaranteed minimum crediting rates:	At guaranteed minimum	1 - 49 bps above guaranteed minimum	50 - 99 bps above guaranteed minimum	100 - 150 bps above guaranteed minimum	Greater than 150 bps above guaranteed minimum	Total
Less than 1.00 %	\$ 2,894,495	\$ 30,211	\$ 559,718	\$ 2,726,724	\$ 28,705,318	\$ 34,916,466
1.00 % - 1.99 %	1,443,207	939,437	914,146	1,924,889	7,614,747	12,836,426
2.00 % - 2.99 %	855,374	45,699	56,328	99,215	1,338,545	2,395,161
3.00 % - 4.00 %	11,515,571	1,472,797	391,942	1,183,923	1,294,192	15,858,425
Greater than 4.00 %	11,888,750	1,353,373	141,937	115,460	288,949	13,788,469
Total	\$ 28,597,397	\$ 3,841,517	\$ 2,064,071	\$ 6,050,211	\$ 39,241,751	\$ 79,794,947
Percentage of total	36 %	5 %	3 %	8 %	48 %	100 %

As of December 31, 2023

Account values with adjustable crediting rates subject to guaranteed minimums:						
Range of guaranteed minimum crediting rates:	At guaranteed minimum	1 - 49 bps above guaranteed minimum	50 - 99 bps above guaranteed minimum	100 - 150 bps above guaranteed minimum	Greater than 150 bps above guaranteed minimum	Total
Less than 1.00 %	\$ 2,706,701	\$ 25,839	\$ 660,189	\$ 3,546,450	\$ 25,940,436	\$ 32,879,615
1.00 % - 1.99 %	1,471,320	1,013,423	999,852	1,968,519	6,603,795	12,056,909
2.00 % - 2.99 %	896,276	44,850	55,874	109,411	1,310,234	2,416,645
3.00 % - 4.00 %	12,494,439	1,186,572	414,111	953,560	1,067,325	16,116,007
Greater than 4.00 %	12,095,647	1,385,538	138,112	117,561	298,493	14,035,351
Total	\$ 29,664,383	\$ 3,656,222	\$ 2,268,138	\$ 6,695,501	\$ 35,220,283	\$ 77,504,527
Percentage of total	38 %	5 %	3 %	9 %	45 %	100 %

Liability for future policy benefits

The following tables summarize the balances of, and changes in, the liability for future policy benefits for traditional and limited-payment contracts for the three months ended March 31, 2024 and 2023:

	Three Months Ended					
	March 31, 2024			March 31, 2023		
	Payout annuities ⁽¹⁾	Other ⁽²⁾	Total	Payout annuities ⁽¹⁾	Other ⁽²⁾	Total
Present value of expected net premiums						
Balance as of beginning of the period	\$ —	\$ (208,370)	\$ (208,370)	\$ —	\$ (255,401)	\$ (255,401)
Balance at original discount rate	\$ —	\$ (241,058)	\$ (241,058)	\$ —	\$ (303,610)	\$ (303,610)
Effect of actual variances from expected experience	—	2,481	2,481	—	992	992
Adjusted beginning of period balance	—	(238,577)	(238,577)	—	(302,618)	(302,618)
Issuances	—	(1,138,831)	(1,138,831)	—	—	—
Interest	—	(949)	(949)	—	(1,206)	(1,206)
Net premiums collected	—	8,416	8,416	—	8,283	8,283
Ending balance at original discount rate	—	(1,369,941)	(1,369,941)	—	(295,541)	(295,541)
Effect of changes in discount rate assumptions	—	36,556	36,556	—	43,489	43,489
Balance as of the end of the period	\$ —	\$ (1,333,385)	\$ (1,333,385)	\$ —	\$ (252,052)	\$ (252,052)

Notes to Financial Statements (Continued)

	Three Months Ended					
	March 31, 2024			March 31, 2023		
	Payout annuities ⁽¹⁾	Other ⁽²⁾	Total	Payout annuities ⁽¹⁾	Other ⁽²⁾	Total
Present value of expected future policy benefits						
Balance as of beginning of the period	\$ 17,427,353	\$ 604,767	\$ 18,032,120	\$ 14,021,514	\$ 679,807	\$ 14,701,321
Balance at original discount rate	\$ 20,040,000	\$ 701,655	\$ 20,741,655	\$ 17,180,626	\$ 806,555	\$ 17,987,181
Effect of actual variances from expected experience	(5,403)	(4,126)	(9,529)	(7,777)	3,539	(4,238)
Adjusted beginning of period balance	20,034,597	697,529	20,732,126	17,172,849	810,094	17,982,943
Issuances	521,384	8,829,048	9,350,432	559,421	15	559,436
Interest	145,265	2,146	147,411	93,654	2,467	96,121
Benefit payments	(443,016)	(16,726)	(459,742)	(389,426)	(25,861)	(415,287)
Ending balance at original discount rate	20,258,230	9,511,997	29,770,227	17,436,498	786,715	18,223,213
Effect of changes in discount rate assumptions	(2,934,499)	(91,610)	(3,026,109)	(2,721,312)	(115,387)	(2,836,699)
Balance as of the end of the period	17,323,731	9,420,387	26,744,118	14,715,186	671,328	15,386,514
Net liability for future policy benefits	17,323,731	8,087,002	25,410,733	14,715,186	419,276	15,134,462
Less: reinsurance recoverable ⁽³⁾	(9,184,956)	(6,395,483)	(15,580,439)	(7,636,570)	1,750	(7,634,820)
Net liability for future policy benefits, net of reinsurance recoverables	\$ 8,138,775	\$ 1,691,519	\$ 9,830,294	\$ 7,078,616	\$ 421,026	\$ 7,499,642

- (1) Payout annuities generally only have a single premium received at contract inception. As a result, the liability for future policy benefits generally would not reflect a present value for future premiums for payout annuities.
- (2) "Other" consists of activity related to long-term care insurance, variable annuities, traditional life insurance, preneed insurance and fixed-rate annuity products. Mortality and morbidity risks associated with the long-term care insurance have been ceded to a third-party reinsurer.
- (3) Reinsurance recoverables associated with the liability for future policy benefits is net of the effect of changes in discount rate assumptions of \$(141.4) million and \$ 237.1 million for the three months ended March 31, 2024 and 2023, respectively.

The following table summarizes the amount of gross premiums related to traditional and limited-payment contracts recognized in the consolidated statements of operations for the three months ended March 31, 2024 and 2023:

	Gross premiums	
	Three Months Ended March 31,	
	2024	2023
Payout annuities	\$ 582,588	\$ 492,727
Other	8,547,653	14,391
Total products	\$ 9,130,241	\$ 507,118

The following table reflects the weighted-average duration and weighted-average interest rates of the future policy benefit liability as of March 31, 2024 and December 31, 2023:

	As of March 31, 2024	
	Payout annuities	Other
Weighted-average interest rates, original discount rate	3.44 %	4.85 %
Weighted-average interest rates, current discount rate	5.22 %	5.29 %
Weighted-average liability duration (years, current rates)	8.42	10.70

	As of December 31, 2023	
	Payout annuities	Other
Weighted-average interest rates, original discount rate	3.37 %	2.57 %
Weighted-average interest rates, current discount rate	4.95 %	4.95 %
Weighted-average liability duration (years, current rates)	8.58	9.03

The following reflects the undiscounted ending balance of expected future gross premiums and expected future benefits and payments for traditional and limited-payment contracts, as of March 31, 2024 and December 31, 2023:

Notes to Financial Statements (Continued)

	As of March 31, 2024	
	Payout annuities	Other
Expected future benefit payments, undiscounted	\$ 29,845,573	\$ 16,966,712
Expected future benefit payments, discounted (original discount rate)	20,258,230	9,511,997
Expected future benefit payments, discounted (current discount rate)	17,323,731	9,420,387
Expected future gross premiums, undiscounted	—	1,880,510
Expected future gross premiums, discounted (original discount rate)	—	1,447,508
Expected future gross premiums, discounted (current discount rate)	—	1,398,867

	As of December 31, 2023	
	Payout annuities	Other
Expected future benefit payments, undiscounted	\$ 29,164,580	\$ 832,608
Expected future benefit payments, discounted (original discount rate)	19,899,423	689,760
Expected future benefit payments, discounted (current discount rate)	17,427,352	604,768
Expected future gross premiums, undiscounted	—	377,693
Expected future gross premiums, discounted (original discount rate)	—	317,710
Expected future gross premiums, discounted (current discount rate)	—	262,653

Additional liability for annuitization, death, or other insurance benefits

The following tables reflect the additional liability for annuitization, death, or other insurance benefits roll-forward for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
Balance as of beginning of period	\$ 7,251,266	\$ 5,104,810
Effect of changes in cash flow assumptions	—	—
Effect of changes in experience	(29,667)	(21,177)
Adjusted balance as of beginning of period	7,221,599	5,083,633
Issuances	6,079	5,684
Assessments	175,430	85,683
Benefits paid	(136,605)	(84,913)
Interest	59,363	26,296
Balance as of end of period	7,325,866	5,116,383
Less: impact of unrealized investment gain and losses	112,509	117,958
Less: reinsurance recoverable, end of period	1,460,314	—
Balance, end of year, net of reinsurance recoverable and impact of unrealized investment gains and losses	\$ 5,753,043	\$ 4,998,425

The additional liability for annuitization, death, or other insurance benefits relates primarily to secondary guarantees on certain interest-sensitive life products, and preneed insurance.

The following reflects the amount of gross assessments recognized for the additional liability for annuitization, death, or other insurance benefits in the consolidated statements of operations for the three months ended March 31, 2024 and 2023:

	Gross assessments	
	Three Months Ended March 31,	
	2024	2023
Total amount recognized within revenue in the consolidated statements of operations	\$ 168,504	\$ 146,376

Notes to Financial Statements (Continued)

The following reflects the weighted average duration and weighted average interest rate for the additional liability for annuitization, death, or other insurance benefits as of March 31, 2024 and December 31, 2023:

	As of	
	March 31, 2024	December 31, 2023
Weighted-average interest, current discount rate	3.27 %	3.09 %
Weighted-average liability duration (years)	27.75	27.64

Market risk benefits

The following table presents the balances of, and changes in, market risk benefits:

	Three months ended					
	March 31, 2024			March 31, 2023		
	Fixed-indexed annuity	Variable- and other annuities	Total	Fixed-indexed annuity	Variable- and other annuities	Total
Balance as of beginning of period	\$ 868,268	\$ 252,683	\$ 1,120,951	\$ 548,536	\$ 120,322	\$ 668,858
Balance as of beginning of period, before impact of changes in instrument-specific credit risk	\$ 790,616	\$ 225,593	\$ 1,016,209	\$ 656,880	\$ 150,633	\$ 807,513
Issuances	3,408	(2)	3,406	(36)	(9)	(45)
Interest	10,914	2,926	13,840	8,854	1,957	10,811
Attributed fees collected	24,660	21,874	46,534	24,143	21,095	45,238
Benefit payments	(1,649)	(1,807)	(3,456)	(802)	(18)	(820)
Effect of changes in interest rates	(68,282)	(40,975)	(109,257)	71,737	49,005	120,742
Effect of changes in equity markets	(12,806)	(42,848)	(55,654)	(3,822)	(21,986)	(25,808)
Effect of actual experience different from assumptions	6,352	(5,001)	1,351	772	(12,676)	(11,904)
Balance as of end of period before impact of changes in instrument-specific credit risk	753,213	159,760	912,973	757,726	188,001	945,727
Effect of changes in instrument-specific credit risk	82,969	27,080	110,049	(146,505)	(44,165)	(190,670)
Balance as of end of period	836,182	186,840	1,023,022	611,221	143,836	755,057
Less: reinsurance recoverable as of the end of the period	—	(12,820)	(12,820)	—	(14,913)	(14,913)
Balance as of end of period, net of reinsurance recoverable	\$ 836,182	\$ 174,020	\$ 1,010,202	\$ 611,221	\$ 128,923	\$ 740,144
Net amount at risk	\$ 4,356,548	\$ 1,289,163	\$ 5,645,711	\$ 3,980,500	\$ 1,277,299	\$ 5,257,799
Weighted-average attained age of contract holders (years)	70	69	70	70	71	70

The following reflects the reconciliation of the market risk benefits reflected in the preceding table to the amounts reported in an asset and liability position, respectively, in the consolidated statements of financial condition as of March 31, 2024 and December 31, 2023:

	As of March 31, 2024			As of December 31, 2023		
	Asset	Liability	Net	Asset	Liability	Net
Fixed-indexed annuities	\$ 23	\$ 836,205	\$ (836,182)	\$ —	\$ 868,268	\$ (868,268)
Variable- and other annuities	8	186,848	(186,840)	17	252,700	(252,683)
Total	\$ 31	\$ 1,023,053	\$ (1,023,022)	\$ 17	\$ 1,120,968	\$ (1,120,951)

Notes to Financial Statements (Continued)

Separate account liabilities

Separate account assets and liabilities consist of investment accounts established and maintained by Global Atlantic for certain variable annuity and interest-sensitive life insurance contracts. Some of these contracts include minimum guarantees such as GMDBs and GMWBs that guarantee a minimum payment to the policyholder.

The assets that support these variable annuity and interest-sensitive life insurance contracts are measured at fair value and are reported as separate account assets on the consolidated statements of financial condition. An equivalent amount is reported as separate account liabilities. Market risk benefit assets and liabilities for minimum guarantees are valued and presented separately from separate account assets and separate account liabilities. For more information on market risk benefits see “—Market risk benefits” in this footnote. Policy charges assessed against the policyholders for mortality, administration and other services are included in “Policy fees” in the consolidated statements of operations.

The following table presents the balances of and changes in separate account liabilities:

	March 31, 2024			March 31, 2023		
	Variable annuities	Interest-sensitive life	Total	Variable annuities	Interest-sensitive life	Total
Balance as of beginning of period	\$ 3,565,029	\$ 541,971	\$ 4,107,000	\$ 3,627,769	\$ 503,025	\$ 4,130,794
Premiums and deposits	6,519	3,444	9,963	10,655	3,581	14,236
Surrenders, withdrawals and benefit payments	(134,786)	(5,223)	(140,009)	(108,408)	(3,716)	(112,124)
Investment performance	241,056	44,942	285,998	141,071	31,944	173,015
Other	(28,267)	(11,512)	(39,779)	(29,652)	(11,466)	(41,118)
Balance as of end of period	<u>\$ 3,649,551</u>	<u>\$ 573,622</u>	<u>\$ 4,223,173</u>	<u>\$ 3,641,435</u>	<u>\$ 523,368</u>	<u>\$ 4,164,803</u>
Cash surrender value as of end of period ⁽¹⁾	\$ 3,649,551	\$ 573,622	\$ 4,223,173	\$ 3,641,435	\$ 523,368	\$ 4,164,803

(1) Cash surrender value attributed to the separate accounts does not reflect the impact of surrender charges; surrender charges are attributed to policyholder account balances recorded in the general account.

The following table presents the aggregate fair value of assets, by major investment asset type, supporting separate accounts:

Asset type:	March 31, 2024	December 31, 2023
Managed volatility equity/fixed income blended fund	\$ 2,152,615	\$ 2,131,149
Equity	1,688,119	1,596,467
Fixed income	149,305	152,398
Money market	232,510	226,387
Alternative	624	599
Total assets supporting separate account liabilities	<u>\$ 4,223,173</u>	<u>\$ 4,107,000</u>

Notes to Financial Statements (Continued)**18. INCOME TAXES**

KKR & Co. Inc. is a domestic corporation for U.S. federal income tax purposes and is subject to U.S. federal, state and local income taxes at the entity level on its share of taxable income. In addition, KKR Group Partnership and certain of its subsidiaries operate as partnerships for U.S. federal tax purposes but as taxable entities for certain state, local or non-U.S. tax purposes. Moreover, certain corporate subsidiaries of KKR, including certain subsidiaries of Global Atlantic, are domestic corporations for U.S. federal income tax purposes and are subject to U.S. federal, state, and local income taxes. Income taxes reported in these consolidated financial statements include the taxes described in this paragraph.

For the three months ended March 31, 2024 and 2023, the effective tax rates were 19.7 % and 36.4 %, respectively. The effective tax rate differs from the statutory rate primarily due to the portion of the reported net income (loss) before taxes not being attributable to KKR but rather being attributable to (i) third-party limited partner interests in consolidated investment funds and (ii) exchangeable securities representing ownership interests in KKR Group Partnership until they are exchanged for common stock of KKR & Co. Inc.

In 2022, changes in market conditions, including rapidly rising interest rates, impacted the unrealized tax gains and losses in the available for sale securities portfolios of Global Atlantic, resulting in deferred tax assets related to net unrealized tax capital losses for which the carryforward period has not yet begun. As such, when assessing recoverability, Global Atlantic considered its ability and intent to hold the underlying securities to recovery. Global Atlantic concluded that a valuation allowance should be established on a portion of the deferred tax assets related to unrealized tax capital losses that are not more-likely-than-not to be realized, which represents the portion of the portfolio Global Atlantic estimates it would not be able to hold to recovery. As of March 31, 2024, Global Atlantic maintained \$ 89.3 million of valuation allowance associated with the unrealized tax capital losses in the available for sale securities portfolio. The establishment of the valuation allowance was recorded in other comprehensive income. Based on available evidence and various assumptions as to the timing of income, KKR believes it is likely that all other deferred tax assets will be realized. There was no change in the valuation allowance recorded as of March 31, 2024.

During the three months ended March 31, 2024, there were no material changes to KKR's uncertain tax positions and KKR believes there will not be a significant increase or decrease to these uncertain tax positions within 12 months of the reporting date.

On August 16, 2022, the Inflation Reduction Act (the "IRA") was signed into law. The IRA enacted a new 15% corporate alternative minimum tax ("CAMT") on the "adjusted financial statement income" of certain large corporations, which became effective on January 1, 2023. In addition, the IRA enacted a 1% excise tax on corporate stock repurchases completed after December 31, 2022. KKR reviewed the impact and concluded there was no impact on income taxes for the three months ended March 31, 2024 and will continue to review and monitor the issuance of additional guidance from the U.S. Treasury and the U.S. Internal Revenue Service.

On December 20, 2021, the OECD released Pillar Two Model Rules, which contemplate a global 15% minimum tax rate. The OECD continues to release additional guidance, including administrative guidance on interpretation and application of Pillar Two, and many countries are passing legislation to comply with Pillar Two. The changes contemplated by Pillar Two, when enacted by various countries in which we do business, may increase our taxes in such countries. Based on the available legislation, KKR concluded there was no material impact on income taxes with respect to Pillar Two for the three months ended March 31, 2024. KKR will continue to evaluate the potential future impacts of Pillar Two and will continue to review and monitor the issuance of additional guidance.

On December 27, 2023, the Government of Bermuda enacted the Bermuda Corporate Income Tax ("Bermuda CIT"). Commencing on January 1, 2025, the Bermuda CIT generally will impose a 15% corporate income tax on in-scope entities that are resident in Bermuda or have a Bermuda permanent establishment, without regard to any assurances that been given pursuant to the Exempted Undertakings Tax Protection Act 1966. As a result of the 2024 GA Acquisition, we are now subject to the Bermuda CIT enacted in 2023. Global Atlantic reviewed the potential impact and does not expect that the Bermuda CIT will have a material impact on income taxes for 2024.

Notes to Financial Statements (Continued)

19. EQUITY-BASED COMPENSATION

The following table summarizes the expense associated with equity-based compensation in connection with KKR equity incentive awards and incentive awards under the Global Atlantic Financial Company Book Value Award Plan ("GA Book Value Plan") and the Global Atlantic Senior Management Equity Incentive Plan ("GA Equity Incentive Plan") for the three months ended March 31, 2024 and 2023, respectively.

	Three Months Ended March 31,	
	2024	2023
Asset Management	\$ 154,345	\$ 126,290
Insurance	29,066	57,047
Total	\$ 183,411	\$ 183,337

KKR Equity Incentive Awards

Under KKR's Equity Incentive Plans, KKR is permitted to grant equity awards representing ownership interests in KKR & Co. Inc. common stock. On March 29, 2019, the 2019 Equity Incentive Plan became effective. Following the effectiveness of the 2019 Equity Incentive Plan, KKR no longer makes further grants under the 2010 Equity Incentive Plan, and the 2019 Equity Incentive Plan became KKR's only plan for providing new equity awards by KKR & Co. Inc. Outstanding awards under the 2010 Equity Incentive Plan will remain outstanding, unchanged and subject to the terms of the 2010 Equity Incentive Plan and their respective equity award agreements, until the vesting, expiration or lapse of such awards in accordance with their terms. The total number of equity awards representing shares of common stock that may be issued under the 2019 Equity Incentive Plan is equivalent to 15 % of the aggregate number of the shares of common stock and KKR Group Partnership Units (excluding KKR Group Partnership Units held by KKR & Co. Inc. or its wholly-owned subsidiaries), subject to annual adjustment. As of March 31, 2024, 48,896,121 shares may be issued under the 2019 Equity Incentive Plan. KKR has also issued equity grants in the form of restricted holdings units through KKR Holdings III L.P. ("KKR Holdings III"), which are not issued under the 2019 Equity Incentive Plan and are currently held by certain Global Atlantic employees. Equity awards granted generally consist of (i) restricted stock units that convert into shares of common stock of KKR & Co. Inc. (or cash equivalent) upon vesting and (ii) restricted holdings units that are exchangeable into shares of common stock of KKR & Co. Inc. upon vesting and certain other conditions, including those described below.

Service-Vesting Awards

KKR grants restricted stock units and restricted holdings units that are subject to service-based vesting, typically over a three to five-year period from the date of grant (referred to hereafter as "Service-Vesting Awards"). In certain cases, these Service-Vesting Awards may have a percentage of the award that vests immediately upon grant, and certain Service-Vesting Awards may have vesting periods longer than five years. Additionally, some but not all Service-Vesting Awards are subject to transfer restrictions and/or minimum retained ownership requirements. Generally, the transfer restriction period, if applicable, lasts for (i) one year with respect to one-half of the awards vesting on any vesting date and (ii) two years with respect to the other one-half of the awards vesting on such vesting date. While providing services to KKR, some but not all of these awards are also subject to minimum retained ownership rules requiring the award recipient to continuously hold shares of common stock equivalents equal to at least 15 % of their cumulatively vested awards that have or had the minimum retained ownership requirement. Holders of the Service-Vesting Awards do not participate in dividends until such awards have met their vesting requirements.

Expense associated with the vesting of these Service-Vesting Awards is based on the closing price of KKR & Co. Inc. common stock on the date of grant, discounted for the lack of participation rights in the expected dividends on unvested equity awards. Expense is recognized on a straight line basis over the life of the award and assumes a forfeiture rate of up to 7 % annually based upon expected turnover by class of recipient.

As of March 31, 2024, there was approximately \$ 981 million of total estimated unrecognized expense related to unvested Service-Vesting Awards, which is expected to be recognized over the weighted average remaining requisite service period of 2.4 years.

Notes to Financial Statements (Continued)

A summary of the status of unvested Service-Vesting Awards granted from January 1, 2024 through March 31, 2024 is presented below:

	Shares ⁽¹⁾	Weighted Average Grant Date Fair Value
Balance, January 1, 2024	23,228,671	\$ 53.22
Granted	4,098,787	76.73
Vested	(932,297)	74.09
Forfeitures	(284,320)	55.77
Balance, March 31, 2024	26,110,841	\$ 56.14

(1) Unvested Service-Vesting Awards include restricted stock units and restricted holdings units granted to Global Atlantic employees.

Market Condition Awards

KKR also grants restricted stock units and restricted holdings units that are subject to both a service-based vesting condition and a market price based vesting condition (referred to hereafter as "Market Condition Awards"). The following is a discussion of the Market Condition Awards, excluding the Co-CEO Awards (as defined and discussed below).

The number of Market Condition Awards (other than the Co-CEO awards) that will vest depend upon (i) the market price of KKR common stock reaching certain price targets that range from \$ 45.00 to \$ 140.00 and (ii) the employee being employed by KKR on a certain date, which typically ranges from five to six years from the date of grant (with exceptions for involuntary termination without cause, death and permanent disability). The market price vesting condition is met when the average closing price of KKR common stock during 20 consecutive trading days meets or exceeds the stock price targets. Holders of the Market Condition Awards do not participate in dividends until such awards have met both their service-based and market price based vesting requirements. Additionally, these awards are subject to additional transfer restrictions and minimum retained ownership requirements after vesting.

Due to the existence of the service requirement, the vesting period for these Market Condition Awards (other than the Co-CEO awards) is explicit, and as such, compensation expense will be recognized on (i) a straight-line basis over the period from the date of grant through the date the award recipient is required to be employed by KKR and (ii) assumes a forfeiture rate of up to 7 % annually based upon expected turnover. The fair value of the awards granted are based on a Monte Carlo simulation valuation model. In addition, the grant date fair value assumes that holders of the Market Condition Awards will not participate in dividends until such awards have met all of their vesting requirements.

Below is a summary of the grant date fair value based on the Monte Carlo simulation valuation model and the significant assumptions used to estimate the grant date fair value of these Market Condition Awards:

	Weighted Average	Range
Grant Date Fair Value	\$ 30.57	\$ 19.87 - \$ 66.80
Closing KKR share price as of valuation date	\$ 51.60	\$ 37.93 - \$ 82.85
Risk Free Rate	2.21 %	0.41 % - 4.41 %
Volatility	30.04 %	28.00 % - 38.00 %
Dividend Yield	1.27 %	0.71 % - 1.53 %
Expected Cost of Equity	10.74 %	9.13 % - 11.80 %

As of March 31, 2024, there was approximately \$ 685 million of total estimated unrecognized expense related to these unvested Market Condition Awards, which is expected to be recognized over the weighted average remaining requisite service period of 3.4 years.

Notes to Financial Statements (Continued)

A summary of the status of unvested Market Condition Awards granted from January 1, 2024 through March 31, 2024 is presented below:

	Shares ⁽¹⁾	Weighted Average Grant Date Fair Value
Balance, January 1, 2024	36,497,589	\$ 29.59
Granted	2,278,830	58.59
Vested	(170,000)	21.29
Forfeitures	(280,452)	23.67
Balance, March 31, 2024	38,325,967	\$ 31.39

(1) Unvested Market Condition Awards include restricted holdings units granted to Global Atlantic employees.

As of March 31, 2024, 24.1 million units of these Market Condition awards have met their market price based vesting condition.

Co-CEO Awards

On December 9, 2021, the Board of Directors approved grants of 7.5 million restricted holdings units to each of KKR's Co-Chief Executive Officers that are subject to both a service-based vesting condition and a market price based vesting condition (referred to hereafter as "Co-CEOs Awards"). For both Co-Chief Executive Officers, 20 % of the Co-CEOs Awards are eligible to vest at each of the following KKR common stock prices targets: \$ 95.80 , \$ 105.80 , \$ 115.80 , \$ 125.80 and \$ 135.80 . The market price based vesting condition is met when the average closing price of KKR common stock during 20 consecutive trading days meets or exceeds the stock price targets. In addition to the market price based vesting conditions, in order for the award to vest, the Co-Chief Executive Officer is required to be employed by KKR on December 31, 2026 (with exceptions for involuntary termination without cause, death and permanent disability).

These awards will be automatically canceled and forfeited upon the earlier of a Co-Chief Executive Officer's termination of service (except for involuntary termination without cause, death or permanent disability) or the failure to meet the market price based vesting condition by December 31, 2028 (for which continued service is required if the market price vesting condition is met after December 31, 2026). Co-CEO Awards do not participate in dividends until such awards have met both their service-based and market price based vesting requirements. Additionally, these awards are subject to additional transfer restrictions and minimum retained ownership requirements after vesting.

Due to the existence of the service requirement, the vesting period for these Co-CEO Awards is explicit, and as such, compensation expense will be recognized on a straight-line basis over the period from the date of grant through December 31, 2026 given the derived service period is less than the explicit service period. The fair value of the awards granted are based on a Monte Carlo simulation valuation model. In addition, the grant date fair value assumes that these Co-CEO Awards will not participate in dividends until such awards have met all of their vesting requirements.

Below is a summary of the grant date fair value based on the Monte Carlo simulation valuation model and the significant assumptions used to estimate the grant date fair value of these Co-CEO Awards:

Grant Date Fair Value	\$ 48.91
Closing KKR share price as of valuation date	\$ 75.76
Risk Free Rate	1.42 %
Volatility	28.0 %
Dividend Yield	0.77 %
Expected Cost of Equity	9.36 %

As of March 31, 2024, there was approximately \$ 399 million of total estimated unrecognized expense related to these unvested Co-CEO Awards, which is expected to be recognized ratably from April 1, 2024 to December 31, 2026. As of March 31, 2024, 3.0 million units of these Co-CEO awards have met their market price based vesting condition.

Notes to Financial Statements (Continued)*Modification and Replacement of Book Value Awards - Insurance*

On February 1, 2021, Global Atlantic adopted the GA Book Value Plan to enhance the ability of Global Atlantic to attract, motivate and retain its employees and to promote the success of the Global Atlantic business.

The GA Book Value Plan authorized the grant of cash-settled awards ("book value awards," or "BVAs") representing the right to receive one or more payments upon vesting equal to the product of an initial dollar value set by the award multiplied by a pre-determined formula as of each applicable vesting date. The predetermined formula is equal to the quotient determined by dividing the book value of one share of TGAFG on the applicable vesting date by the book value of a share on the original grant date, subject to adjustments. Book value awards generally vested in three equal, annual installments, subject to continued employment.

BVAs were accounted for as profit sharing arrangements in accordance with ASC 710. On January 2, 2024, KKR replaced the BVAs with approximately 1.9 million of Service-Vesting Awards granted pursuant to our 2019 Equity Incentive Plan, which are accounted for as equity classified awards in scope of ASC 718. As such, this modification resulted in (i) a change in scope from ASC 710 to ASC 718, (ii) a change in classification from liability to equity and (iii) a corresponding reclassification of \$ 77 million from Accrued Expenses and Other Liabilities to Additional Paid-In Capital in the consolidated statement of financial condition. Accordingly, these awards will no longer be remeasured to fair value after the modification date. No incremental expense recognition was required upon the modification of the BVAs, because no incremental value was transferred to the employees. The service and vesting conditions of the Service-Vesting Awards mirror those of the BVAs.

Modification and Replacement of GA Equity Incentive Plan Awards - Insurance

On June 24, 2021, Global Atlantic issued 1,000 non-voting incentive shares to a Bermuda exempted partnership owned by certain Global Atlantic employees, who are eligible to receive incentive units under the GA Equity Incentive Plan. These incentive units represented an interest in the receipt of certain amounts based on Global Atlantic's book value, market value, and AUM, in each case as derived in part from the value of TGAFG's fully-diluted equity shares.

The GA Equity Incentive Plan awards were accounted for as a hybrid compensation plan, consisting of one component most closely aligned with a profit-sharing plan under ASC 710, Compensation - General, as well as other components within scope of ASC 718, Compensation - Stock Compensation, in all cases with obligations liability-classified. Accordingly, with regard to awards within scope of ASC 710, Global Atlantic recorded expense based on payouts deemed to be probable and reasonably estimable based on the book value growth of Global Atlantic at the grant date and at each reporting period. For award components subject to liability-classification under ASC 718, Global Atlantic recorded expense, net of a 0 % estimated forfeiture rate, based on the fair value of awards granted, with periodic adjustments to expense for changes in fair value, over the requisite 5 -year service period.

On January 2, 2024, KKR replaced the GA Equity Incentive Plan awards with (i) 1.3 million of Service-Vesting Awards with a remaining vesting period of approximately 2 years and approximately 0.9 million of Market Condition Awards, both of which are accounted for as equity classified awards in scope of ASC 718, and (ii) approximately \$ 54 million in vested KKR Holdings III restricted holdings units. As such, this modification resulted in (i) a change in scope from ASC 710 to ASC 718 for a portion of the award, (ii) a change in classification from liability to equity and (iii) a corresponding reclassification of \$ 149 million from Accrued Expenses and Other Liabilities to Additional Paid-In Capital in the consolidated statement of financial condition. No incremental expense recognition was required upon the modification of the GA Equity Incentive Plan awards, because no incremental value was transferred to the employees.

Due to the existence of the service requirement, the vesting period for the Market Condition Awards is explicit, and as such, compensation expense will be recognized on (i) a straight-line basis over the period from the date of grant through the date the award recipient is required to be employed by KKR and (ii) assumes a forfeiture rate of up to 4 % annually based upon expected turnover. The fair value of the awards granted are based on a Monte Carlo simulation valuation model.

Notes to Financial Statements (Continued)

20. RELATED PARTY TRANSACTIONS**Due from Affiliates consists of:**

	March 31, 2024	December 31, 2023
Amounts due from unconsolidated investment funds	\$ 1,214,045	\$ 1,229,308
Amounts due from portfolio companies	235,349	217,544
Due from Affiliates	\$ 1,449,394	\$ 1,446,852

Due to Affiliates consists of:

	March 31, 2024	December 31, 2023
Amounts due to current and former employees under the tax receivable agreement	\$ 381,076	\$ 406,730
Amounts due to unconsolidated investment funds	62,143	131,369
Due to Affiliates	\$ 443,219	\$ 538,099

21. SEGMENT REPORTING

KKR operates through three reportable segments which are presented below and reflect how its chief operating decision-makers allocate resources and assess performance:

- **Asset Management** - The asset management business offers a broad range of investment management services to investment funds, vehicles and accounts (including Global Atlantic and the Strategic Holdings segment) and provides capital markets services to portfolio companies and third parties. This reportable segment also reflects how its business lines operate collaboratively with predominantly a single expense pool.
- **Insurance** - The insurance business is operated by Global Atlantic, which is a leading U.S. retirement and life insurance company that provides a broad suite of protection, legacy and savings products and reinsurance solutions to clients across individual and institutional markets. Global Atlantic primarily generates income by earning a spread between its investment income and the cost of policyholder benefits.
- **Strategic Holdings** - The strategic holdings business initially represents KKR's participation in the core private equity strategy, which was previously presented in the Asset Management segment's Principal Activities business line. This segment primarily generates income from dividends from these businesses. Dividends are presented net of management fees paid to our Asset Management segment. If KKR were to sell a portion or all of a business reported in Strategic Holdings, the realized gain or loss would be presented as realized investment income reduced by the performance fee paid to our Asset Management segment.

KKR's segment profitability measure used to make operating decisions and assess performance across KKR's reportable segments is presented prior to giving effect to the allocation of income (loss) among KKR & Co. Inc. and holders of any exchangeable securities, and the consolidation of the investment funds, vehicles and accounts that KKR advises, manages or sponsors (including CFEs). KKR's segment profitability measure excludes: (i) equity-based compensation charges, (ii) amortization of acquired intangibles, (iii) strategic corporate related charges and (iv) non-recurring items, if any. Strategic corporate related items arise from corporate actions and consist primarily of (i) impairments, (ii) transaction costs from strategic acquisitions, and (iii) depreciation on real estate that KKR owns and occupies. Inter-segment transactions are not eliminated from segment results when management considers those transactions in assessing the results of the respective segments. These transactions include (i) management fees earned by the Asset Management segment as the investment adviser for Global Atlantic insurance companies, (ii) management and performance fees earned by the Asset Management segment from the Strategic Holdings segment, and (iii) interest income and expense based on lending arrangements where the Asset Management segment borrows from the Insurance segment. All these inter-segment transactions are recorded by each segment based on the applicable governing agreements. Total Segment Earnings represents the total segment earnings of KKR's Asset Management, Insurance and Strategic Holdings segments:

- **Asset Management Segment Earnings** is the segment profitability measure used to make operating decisions and to assess the performance of the Asset Management segment. This measure is presented before income taxes and is comprised of: (i) Fee Related Earnings, (ii) Realized Performance Income, (iii) Realized Performance Income Compensation, (iv) Realized Investment Income, and (v) Realized Investment Income Compensation. The non-operating adjustments made to derive Asset Management Segment Earnings excludes the impact of: (i) unrealized gains (losses) on investments, (ii) unrealized carried interest, and (iii) unrealized carried interest compensation. Management fees earned by KKR as the adviser, manager or sponsor for its investment funds, vehicles and accounts, including its Global Atlantic insurance companies and Strategic Holdings segment, are included in Asset Management Segment Earnings.
- **Insurance Operating Earnings** is the segment profitability measure used to make operating decisions and to assess the performance of the Insurance segment. This measure is presented before income taxes and is comprised of: (i) Net Investment Income, (ii) Net Cost of Insurance, and (iii) General, Administrative, and Other Expenses. The non-operating adjustments made to derive Insurance Operating Earnings excludes the impact of: (i) investment gains (losses) which include realized gains (losses) related to asset/liability matching investment strategies and unrealized investment gains (losses) and (ii) non-operating changes in policy liabilities and derivatives which includes (a) changes in the fair value of market risk benefits and other policy liabilities measured at fair value and related benefit payments, (b) fees attributed to guaranteed benefits, (c) derivatives used to manage the risks associated with policy liabilities, and (d) losses at contract issuance on payout annuities. Insurance Operating Earnings includes (i) realized gains and losses not related to asset/liability matching investment strategies and (ii) the investment management costs that are earned by our Asset Management segment as the investment adviser of the Global Atlantic insurance companies.

Notes to Financial Statements (Continued)

- Strategic Holdings Segment Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the Strategic Holdings segment. This measure is presented before income taxes and is comprised of: Dividends, Net and Net Realized Investment Income. The non-operating adjustment made to derive Strategic Holdings Segment Earnings excludes the impact of unrealized gains (losses) on investments. Strategic Holdings Segment Earnings includes management fees and performance fee expenses that are earned by the Asset Management segment.

Modification of Segment Information

In connection with building and scaling of the core private equity strategy on KKR's balance sheet and the acquisition of the remaining minority equity interests in Global Atlantic on January 2, 2024, KKR reevaluated the manner in which it makes operational and resource deployment decisions and assesses the overall performance of KKR's business. Effective with the first quarter of 2024, KKR has made changes with respect to the preparation of the reports used by KKR's chief operating decision makers. As a result, KKR has modified the presentation of its segment financial information with retrospective application to all prior periods presented.

The most significant changes between KKR's current segment presentation and its previous segment presentation reported prior to the first quarter of 2024, are as follows:

- Creating a new business segment, Strategic Holdings - The new segment is currently comprised of KKR's participation in its core private equity strategy. Our participation in the core private equity strategy has scaled into a business KKR now evaluates separately from its Asset Management segment. Additionally, KKR may also acquire other long-term assets that are not part of the core private equity strategy for this segment. As of the first quarter of 2024, KKR's participation in its core private equity strategy will no longer be reported as part of the Asset Management segment. The Asset Management segment continues to represent KKR's business separate from its insurance operations and continues to reflect how the chief operating decision makers allocate resources and assess performance in the asset management business, which includes operating collaboratively across its business lines, with predominantly a single expense pool. Effective as of the first quarter of 2024, the results of our Strategic Holdings segment will include a management fee and performance fee that is paid to our Asset Management segment for providing advisory services rather than allocating the costs borne by our Asset Management segment to support our Strategic Holdings segment. The historical amounts presented herein do not include any management or performance fees that will be charged since the governing agreement was not in place prior to the first quarter of 2024.
- Segment Earnings - Segment Earnings is the performance measure for KKR's segment profitability and is used by management in making operational decisions and to assess performance.

Notes to Financial Statements (Continued)

Segment Presentation

The following tables set forth information regarding KKR's segment results:

	Three Months Ended March 31,	
	2024	2023
Asset Management		
Management Fees ⁽¹⁾⁽²⁾	\$ 815,327	\$ 738,156
Transaction and Monitoring Fees, Net	152,084	142,179
Fee Related Performance Revenues	19,101	21,741
Fee Related Compensation	(172,640)	(203,094)
Other Operating Expenses	(145,131)	(150,404)
Fee Related Earnings	668,741	548,578
Realized Performance Income	271,545	175,398
Realized Performance Income Compensation	(193,547)	(114,009)
Realized Investment Income ⁽³⁾	134,753	194,834
Realized Investment Income Compensation	(20,211)	(29,714)
Asset Management Segment Earnings	\$ 861,281	\$ 775,087
Insurance		
Net Investment Income ^{(1) (3)}	\$ 1,486,419	\$ 1,271,255
Net Cost of Insurance	(1,003,327)	(750,612)
General, Administrative and Other	(210,252)	(196,714)
Pre-tax Operating Earnings	272,840	323,929
Pre-tax Operating Earnings Attributable to Noncontrolling Interests	—	(118,817)
Insurance Segment Earnings	\$ 272,840	\$ 205,112
Strategic Holdings		
Dividends, Net ⁽²⁾	\$ 20,720	\$ —
Strategic Holdings Operating Earnings	20,720	—
Net Realized Investment Income	—	—
Strategic Holdings Segment Earnings	\$ 20,720	\$ —
Total Segment Earnings	\$ 1,154,841	\$ 980,199

⁽¹⁾ Includes intersegment management fees of \$ 112.4 million and \$ 108.3 million between Asset Management and Insurance segments for the three months ended March 31, 2024 and 2023, respectively.

⁽²⁾ Includes intersegment management fees of \$ 7.5 million between the Asset Management and the Strategic Holdings segments for the three months ended March 31, 2024.

⁽³⁾ Includes intersegment interest expense of \$ 3.2 million and \$ 44.8 million for the three months ended March 31, 2024 and 2023, respectively.

	As of March 31,	
	2024	2023
Segment Assets:		
Asset Management	\$ 24,726,206	\$ 24,960,722
Insurance	230,645,894	174,831,730
Strategic Holdings	6,840,505	5,700,661
Total Segment Assets	\$ 262,212,605	\$ 205,493,113
Non-cash expenses excluded from Segment Earnings		
<i>Equity Based Compensation and Other</i>		
Asset Management	\$ 154,345	\$ 126,290
Insurance ⁽¹⁾	29,066	36,393
Total Non-cash expenses	\$ 183,411	\$ 162,683

⁽¹⁾ Amounts include the portion allocable to KKR & Co. Inc.

Notes to Financial Statements (Continued)

Reconciliations of Total Segment Amounts

The following tables reconcile Segment Revenues, Segment Earnings, and Segment Assets to their equivalent GAAP measure:

	Three Months Ended March 31,	
	2024	2023
Total GAAP Revenues	\$ 9,656,738	\$ 3,127,482
Impact of Consolidation and Other	283,823	209,778
<i>Asset Management Adjustments:</i>		
Capital Allocation-Based Income (Loss) (GAAP)	(1,262,942)	(449,018)
Realized Carried Interest	250,268	172,689
Realized Investment Income - Asset Management	134,753	194,834
Capstone Fees	(18,514)	(19,805)
Expense Reimbursements	(8,093)	(15,544)
<i>Strategic Holdings Adjustments:</i>		
Strategic Holdings Segment Management Fees	7,484	—
<i>Insurance Adjustments:</i>		
Net Premiums	(6,036,522)	(473,624)
Policy Fees	(328,947)	(313,802)
Other Income	(56,385)	(37,158)
(Gains) Losses from Investments ⁽¹⁾	258,483	260,507
Non-operating Changes in Policy Liabilities and Derivatives	19,803	(112,776)
Total Segment Revenues ⁽²⁾	\$ 2,899,949	\$ 2,543,563

(1) Includes gains and losses on funds withheld receivables and payables embedded derivatives.

(2) Total Segment Revenues is comprised of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, (v) Realized Investment Income, (vi) Net Investment Income and (vii) Dividends, Net.

	Three Months Ended March 31,	
	2024	2023
Income (Loss) Before Tax (GAAP)	\$ 1,363,051	\$ 408,435
Impact of Consolidation and Other	(189,596)	99,137
Interest Expense, Net	72,807	82,240
<i>Asset Management Adjustments:</i>		
Unrealized (Gains) Losses	(399,078)	119,934
Unrealized Carried Interest	(946,816)	(202,659)
Unrealized Carried Interest Compensation	757,452	83,830
Strategic Corporate Related Charges and Other	61,675	6,807
Equity-based compensation	73,777	59,017
Equity-based compensation - Performance based	80,568	67,273
<i>Strategic Holdings Adjustments:</i>		
Unrealized (Gains) Losses	(73,257)	(20,607)
<i>Insurance Adjustments:⁽¹⁾</i>		
(Gains) Losses from Investments ⁽¹⁾⁽²⁾	246,917	131,114
Non-operating Changes in Policy Liabilities and Derivatives ⁽¹⁾	73,863	106,491
Equity-based and Other Compensation ⁽¹⁾	29,066	36,393
Amortization of Acquired Intangibles ⁽¹⁾	4,412	2,794
Total Segment Earnings	\$ 1,154,841	\$ 980,199

(1) Amounts represent the portion allocable to KKR & Co. Inc.

(2) Includes gains and losses on funds withheld receivables and payables embedded derivatives.

Notes to Financial Statements (Continued)

	As of	
	March 31, 2024	March 31, 2023
Total GAAP Assets	\$ 339,773,927	\$ 282,610,589
Impact of Consolidation and Reclassifications	(74,048,864)	(75,160,372)
Carry Pool Reclassifications	(3,512,458)	(1,957,104)
Total Segment Assets	\$ 262,212,605	\$ 205,493,113

22. EQUITY

Stockholders' Equity

Common Stock

The common stock of KKR & Co. Inc. is entitled to vote as provided by its certificate of incorporation, Delaware General Corporation Law and the rules of the New York Stock Exchange ("NYSE"). Subject to preferences that apply to any shares of preferred stock outstanding at the time on which dividends are payable, the holders of common stock are entitled to receive dividends out of funds legally available if the Board of Directors, in its discretion, determines to declare dividends and then only at the times and in the amounts that the Board of Directors may determine. The common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

Series I Preferred Stock

Except for any distribution required by Delaware law to be made upon a dissolution event, the holders of Series I preferred stock do not have any economic rights to receive dividends. Series I preferred stock is entitled to vote on various matters that may be submitted to vote of the stockholders and the other matters as set forth in the certificate of incorporation. Upon a dissolution event, each holder of Series I preferred stock will be entitled to a payment equal to \$0.01 per share of Series I preferred stock. The Series I preferred stock will be eliminated on the Sunset Date (as defined in Note 1 "Organization"), which is scheduled to occur not later than December 31, 2026.

Share Repurchase Program

The repurchase program does not have an expiration date. Under KKR's repurchase program, shares of common stock of KKR & Co. Inc. may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing, manner, price and amount of any repurchases will be determined by KKR in its discretion and will depend on a variety of factors, including legal requirements, price and economic and market conditions. In addition to the repurchases of common stock, the repurchase program will be used for the retirement (by cash settlement or the payment of tax withholding amounts upon net settlement) of equity awards granted pursuant to our Equity Incentive Plans representing the right to receive common stock. KKR expects that the program, which has no expiration date, will be in effect until the maximum approved dollar amount has been used. The program does not require KKR to repurchase or retire any specific number of shares of common stock or equity awards, respectively, and the program may be suspended, extended, modified or discontinued at any time. As of April 26, 2024, there was approximately \$ 101 million remaining under the program. Subsequent to March 31, 2024, the share repurchase program has been amended such that when the remaining available amount under the share repurchase program becomes \$ 50 million or less, the total available amount under the share repurchase program will automatically add an additional \$ 500 million to the then remaining available amount of \$ 50 million or less.

For the three months ended March 31, 2024 and 2023, no shares of common stock were repurchased, and no equity awards were retired under the repurchase program.

Notes to Financial Statements (Continued)

Change in KKR & Co. Inc.'s Ownership Interest

Vesting of restricted holdings units results in a change in ownership in KKR Group Partnership L.P., while KKR retains a controlling interest, and is accounted for as an equity transaction between the controlling and noncontrolling interests.

Noncontrolling Interests

Noncontrolling interests in consolidated entities represent the non-redeemable ownership interests in KKR that are held primarily by:

- (i) third party fund investors in KKR's consolidated funds and certain other entities;
- (ii) third parties in KKR's Capital Markets business line;
- (iii) certain current and former employees who hold exchangeable securities; and
- (iv) certain third-party investors in Global Atlantic's consolidated renewable energy entities and certain other entities.

The following table presents total noncontrolling interests:

	For the Three Months Ended March 31,	
	2024	2023
Beginning of Period (as previously reported for the prior period)	\$ 34,904,791	\$ 35,778,000
Adoption of New Accounting Standard (See Note 2)	—	632,858
Balance at the beginning of the period (as revised for the prior period)	34,904,791	36,410,858
Net Income (Loss) Attributable to Noncontrolling Interests	378,958	(73,003)
Other Comprehensive Income (Loss), net of tax	(1,480)	367,188
Compensation Modification - Issuance of Holdings III Units (See Note 19)	53,623	—
Equity-Based Compensation (Non Cash Contribution)	103,907	76,596
2024 GA Acquisition - Cash consideration (See Note 1)	(2,622,230)	—
2024 GA Acquisition - Issuance of Holdings III Units (See Note 1)	40,789	—
Change in KKR & Co. Inc.'s Ownership - 2024 GA Acquisition	2,169,300	—
Change in KKR & Co. Inc.'s Ownership Interest	(165,230)	—
Capital Contributions	1,438,202	2,468,778
Capital Distributions	(1,732,066)	(1,840,303)
Changes in Consolidation	—	(93,545)
Balance at the end of the period	\$ 34,568,564	\$ 37,316,569

23. REDEEMABLE NONCONTROLLING INTERESTS

Redeemable noncontrolling interests represent:

(i) Noncontrolling interests of certain KKR investment funds and vehicles that are subject to periodic redemption by fund investors following the expiration of a specified period of time, or may be withdrawn subject to a redemption fee during the period when capital may not be otherwise withdrawn. Consolidated fund investor's interests subject to redemption as described above are presented as Redeemable Noncontrolling Interests in the accompanying consolidated statements of financial condition and presented as Net Income (Loss) Attributable to Redeemable Noncontrolling Interests in the accompanying consolidated statements of operations. When redeemable amounts become legally payable to fund investors, they are classified as a liability and included in Accounts Payable, Accrued Expenses and Other Liabilities in the accompanying consolidated statements of financial condition.

(ii) Global Atlantic has redeemable noncontrolling interests related to renewable energy entities of approximately \$ 47.0 million and \$ 47.8 million as of March 31, 2024 and December 31, 2023, respectively, as determined by the hypothetical liquidation at book value ("HLBV") method. The estimated redemption value of redeemable noncontrolling interests is calculated as the discounted cash flows subsequent to the expected flip date of the respective renewable energy entity. The flip date represents the date at which the allocation of income and cash flows among the investors in the entity is adjusted, pursuant to the redeemable noncontrolling interest investors having achieved an agreed-upon return. The flip date of renewable energy partnerships determines when the redeemable noncontrolling interests are eligible to be redeemed. Eligible redemption dates range from January 1, 2028 to June 30, 2028. For the redeemable noncontrolling interests outstanding as of both March 31, 2024 and December 31, 2023, the estimated redemption value that would be due at the respective redemption dates is \$ 3.2 million.

The following table presents the calculation of Redeemable Noncontrolling Interests:

	Three Months Ended March 31,	
	2024	2023
Balance at the beginning of the period	\$ 615,427	\$ 152,065
Net Income (Loss) Attributable to Redeemable Noncontrolling Interests	32,678	(7,303)
Capital Contributions	282,253	—
Capital Distributions	(8,265)	(636)
Balance at the end of the period	<u>\$ 922,093</u>	<u>\$ 144,126</u>

24. COMMITMENTS AND CONTINGENCIES**Funding Commitments and Others**

As of March 31, 2024, KKR had unfunded commitments consisting of \$ 7.9 billion to its investment funds and vehicles. KKR has also agreed for certain of its investment vehicles to fund or otherwise be liable for a portion of their investment losses (up to a maximum of approximately \$ 61.1 million) and/or to provide them with liquidity upon certain termination events (the maximum amount of which is unknown until the scheduled termination date of the investment vehicle).

In addition to these uncalled commitments and funding obligations to KKR's investment funds and vehicles, KKR has entered into contractual commitments primarily with respect to underwriting transactions, debt financing, revolving credit facilities, and syndications in KKR's Capital Markets business line. As of March 31, 2024, these commitments amounted to \$ 504.0 million. Whether these amounts are actually funded, in whole or in part, depends on the contractual terms of such commitments, including the satisfaction or waiver of any conditions to closing or funding. KKR's capital markets business has arrangements with third parties, which reduce its risk when underwriting certain debt transactions, and thus our unfunded commitments as of March 31, 2024 have been reduced to reflect the amount to be funded by such third parties. As of March 31, 2024, KKR's capital markets business line has entered into such arrangements representing a total notional amount of \$ 4.5 billion. In the case of purchases of investments or assets in our Principal Activities business line, the amount to be funded includes amounts that are intended to be syndicated to third parties, and the actual amounts to be funded may be less.

Global Atlantic has commitments to purchase or fund investments of \$ 3.8 billion as of March 31, 2024. These commitments include those related to mortgage loans, other lending facilities and other investments. For those commitments that represent a contractual obligation to extend credit, Global Atlantic has recorded a liability of \$ 54.0 million for current expected credit losses as of March 31, 2024.

In addition, Global Atlantic has entered into certain forward flow agreements to purchase loans. Global Atlantic's obligations under these agreements are subject to change, curtailment, and cancellation based on various provisions including repricing mechanics, due diligence reviews, and performance or pool quality, among other factors.

Non-cancelable Operating Leases

KKR's non-cancelable operating leases consist of leases of office space around the world. There are no material rent holidays, contingent rent, rent concessions or leasehold improvement incentives associated with any of these property leases. In addition to base rentals, certain lease agreements are subject to escalation provisions and rent expense is recognized on a straight-line basis over the term of the lease agreement.

Global Atlantic also enters into land leases for its consolidated investments in renewable energy.

Contingent Repayment Guarantees

The partnership documents governing KKR's carry-paying investment funds and vehicles generally include a "clawback" provision that, if triggered, may give rise to a contingent obligation requiring the general partner to return amounts to the fund for distribution to the fund investors at the end of the life of the fund. Under a clawback obligation, upon the liquidation of a fund, the general partner is required to return, typically on an after-tax basis, previously distributed carry to the extent that, due to the diminished performance of later investments, the aggregate amount of carry distributions received by the general partner during the term of the fund exceed the amount to which the general partner was ultimately entitled, including the effects of any performance thresholds. KKR has guaranteed its general partners' clawback obligations.

As of March 31, 2024, approximately \$ 550 million of carried interest was subject to this clawback obligation, assuming that all applicable carry-paying funds and their alternative investment vehicles were liquidated at their March 31, 2024 fair values. Although KKR would be required to remit the entire amount to fund investors that are entitled to receive the clawback payment, KKR would be entitled to seek reimbursement of approximately \$ 223 million of that amount from Associates Holdings, which is not a KKR subsidiary. As of March 31, 2024, Associates Holdings had access to cash reserves sufficient to reimburse the full \$ 223 million that would be due to KKR. If the investments in all carry-paying funds were to be liquidated at zero value, the clawback obligation would have been approximately \$ 3.7 billion, and KKR would be entitled to seek reimbursement of approximately \$ 1.6 billion of that amount from Associates Holdings. KKR will acquire control of Associates Holdings when a subsidiary of KKR becomes its general partner upon the closing of the transactions contemplated to occur on the Sunset Date (as defined in Note 1 "Organization"), which will occur not later than December 31, 2026.

Notes to Financial Statements (Continued)

Carried interest is recognized in the consolidated statements of operations based on the contractual conditions set forth in the agreements governing the fund as if the fund were terminated and liquidated at the reporting date and the fund's investments were realized at the then estimated fair values. Amounts earned pursuant to carried interest are earned by the general partner of those funds to the extent that cumulative investment returns are positive and where applicable, preferred return thresholds have been met. If these investment amounts earned decrease or turn negative in subsequent periods, recognized carried interest will be reversed and to the extent that the aggregate amount of carry distributions received by the general partner during the term of the fund exceed the amount to which the general partner was ultimately entitled, a clawback obligation would be recorded. For funds that are consolidated, this clawback obligation, if any, is reflected as an increase in noncontrolling interests in the consolidated statements of financial condition. For funds that are not consolidated, this clawback obligation, if any, is reflected as a reduction of KKR's investment balance as this is where carried interest is initially recorded.

Indemnifications and Other Guarantees*Asset Management and Strategic Holdings Segment*

KKR may incur contingent liabilities for claims that may be made against it in the future. KKR enters into contracts that contain a variety of representations, warranties and covenants, including indemnifications. KKR (including KFN) and certain of KKR's investment funds have provided and provide certain credit support, such as indemnities and guarantees, relating to a variety of matters, including non-recourse carve-out guarantees for fraud, willful misconduct and other wrongful acts in connection with the financing of (i) certain real estate investments that we have made, including KKR's corporate real estate, and (ii) certain investment vehicles that KKR manages or sponsors.

KKR also has provided, and provides, credit support in connection with its businesses, including:

- i. to certain of its subsidiaries' obligations in connection with a limited number of investment vehicles that KKR manages,
- ii. in connection with repayment and funding obligations to third-party lenders on behalf of certain employees, excluding its executive officers, in connection with their personal investments in KKR investment funds and a levered multi-asset investment vehicle,
- iii. to one of its hedge fund partnerships,
- iv. through a contingent guarantee of a subsidiary's loan repayment obligations, which does not become effective unless and until its loan becomes accelerated due to certain specified events of default involving the investment vehicles managed by KJRM,
- v. the obligations of our subsidiaries' funding obligations to our investment vehicles, and
- vi. certain of our investment vehicles to fund or otherwise be liable for a portion of their investment losses and/or to provide them with liquidity upon certain termination events (the maximum amount of which is unknown until the scheduled termination date of the investment vehicle).

KKR may also become liable for certain fees payable to sellers of businesses or assets if a transaction does not close, subject to certain conditions, if any, specified in the acquisition agreements for such businesses or assets.

Insurance Segment

The Global Atlantic business was formerly owned by The Goldman Sachs Group, Inc. (together with its subsidiaries, "Goldman Sachs"). In connection with the separation of Global Atlantic from Goldman Sachs in 2013, Global Atlantic entered into a tax benefit payment agreement with Goldman Sachs. Under the tax benefit payment agreement, GA FinCo is obligated to make annual payments out of available cash, guaranteed by GAFG, to Goldman Sachs over an approximately 25-year period totaling \$ 214.0 million. As of March 31, 2024, the present value of the remaining amount to be paid is \$ 47.8 million. Although these payments are subordinated and deferrable, deferral of these payments would result in restrictions on distributions by GA FinCo and GAFG.

Unless otherwise stated above, KKR's maximum exposure under the arrangements described under this section "—Indemnifications and Other Guarantees" are currently unknown as there are no stated or notional amounts included in these arrangements and KKR's liabilities for these matters would require a claim to be made against KKR in the future.

Notes to Financial Statements (Continued)**Legal Proceedings**

From time to time, KKR (including Global Atlantic) is involved in various legal proceedings, requests for information, lawsuits, arbitration and claims incidental to the conduct of KKR's businesses. KKR's businesses are also subject to extensive regulation, which may result in regulatory or other legal proceedings against them. Moreover, in the ordinary course of business, KKR is and can be both the defendant and the plaintiff in numerous lawsuits with respect to acquisitions, bankruptcy, insolvency and other events. Such lawsuits may involve claims that adversely affect the value of certain investments owned by KKR's funds and Global Atlantic's insurance companies.

Kentucky Matter

In December 2017, KKR & Co. L.P. (which is now KKR Group Co. Inc.) and its then Co-Chief Executive Officers, Henry Kravis and George Roberts, were named as defendants in a lawsuit filed in Kentucky state court (the "2017 Action") alleging, among other things, the violation of fiduciary and other duties in connection with certain separately managed accounts that Prisma Capital Partners LP, a former subsidiary of KKR, manages for the Kentucky Retirement Systems. Also named as defendants in the lawsuit are certain current and former trustees and officers of the Kentucky Retirement Systems, Prisma Capital Partners LP, and various other service providers to the Kentucky Retirement Systems and their related persons. The 2017 Action was dismissed at the direction of the Supreme Court of Kentucky for lack of Kentucky constitutional standing. This dismissal became final on February 16, 2024.

On July 21, 2020, the Office of the Attorney General, on behalf of the Commonwealth of Kentucky (the "Kentucky AG"), filed a new lawsuit in the same Kentucky state court (the "2020 AG Action") making essentially the same allegations as those raised in the 2017 Action, including against what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Messrs. Kravis and Roberts. On May 1, 2024, the trial court denied motions to dismiss the 2020 AG Action filed by KKR & Co. Inc. and Messrs. Kravis and Roberts.

On April 8, 2024, after receiving permission from the Kentucky trial court in the 2020 AG Action, the Kentucky AG amended its complaint in the 2020 AG Action to add a claim for breach of contract. The Kentucky AG also filed an action (the "2024 AG Action") substantially identical to the 2020 AG Action, including the new claim for breach of contract. On April 23, 2024, KKR & Co. Inc., Messrs. Kravis and Roberts and other defendants moved to strike the Kentucky AG's amended complaint in the 2020 AG Action, to stay consideration of the breach of contract claim and the 2024 AG Action until after the trial court's ruling on the motions to dismiss the 2020 AG Action, and to deny a motion by the Kentucky AG to consolidate the 2020 AG Action and the 2024 AG Action.

In January 2021, some of the attorneys for the plaintiffs in the 2017 Action filed a new lawsuit on behalf of a new set of plaintiffs, who claim to be "Tier 3" members of Kentucky Retirement Systems (the "Tier 3 Plaintiffs"), alleging substantially the same allegations as in the 2017 Action. On July 9, 2021, the Tier 3 Plaintiffs served an amended complaint, which purports to assert, on behalf of a class of beneficiaries of Kentucky Retirement Systems, direct claims for breach of fiduciary duty and civil violations under the Racketeer Influenced and Corrupt Organizations Act ("RICO"). This complaint was removed to the U.S. District Court for the Eastern District of Kentucky, which has entered an order staying this case until the completion of the 2020 AG Action. On August 20, 2021, the Tier 3 Plaintiffs and other individual plaintiffs filed a second complaint in Kentucky state court (the "Second Tier 3 Action"), purportedly on behalf of Kentucky Retirement Systems' funds, alleging the same claims against what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Messrs. Kravis and Roberts as in the July 9th amended complaint but without the RICO or class action allegations. On May 1, 2024, the trial court denied motions to dismiss the Second Tier 3 Action filed by KKR & Co. Inc. and Messrs. Kravis and Roberts.

On March 24, 2022, in a separate declaratory judgment action brought by the Commonwealth of Kentucky regarding the enforceability of certain indemnification provisions available to what was then KKR & Co. Inc. (now KKR Group Co. Inc.) and Prisma Capital Partners LP, the Kentucky state court concluded that it has personal jurisdiction over KKR & Co. Inc. in that action, and that the indemnification provisions violated the Kentucky Constitution and were therefore unenforceable. On December 1, 2023, the Kentucky Court of Appeals reversed the trial court's summary judgment on the issue of personal jurisdiction over KKR & Co. Inc., but affirmed the trial court's rulings that the indemnification provisions violated the Kentucky Constitution and were unenforceable. On February 5, 2024, the Kentucky Court of Appeals denied the petitions of KKR & Co. Inc. and others for rehearing. On April 8, 2024, KKR & Co. Inc. and other defendants in the declaratory judgment case filed motions with the Supreme Court of Kentucky for discretionary review of the Court of Appeals' December 1, 2023 decision.

KKR intends to continue to vigorously defend against these claims against KKR and Messrs. Kravis and Roberts.

Regulatory Matters

Notes to Financial Statements (Continued)

KKR currently is, and expects to continue to become from time to time, subject to various examinations, inquiries and investigations by various U.S. and non-U.S. governmental and regulatory agencies. Such examinations, inquiries and investigations may result in the commencement of civil, criminal or administrative proceedings, or the imposition of fines, penalties, or other remedies, against KKR and its personnel. KKR is subject to periodic examinations of its regulated businesses by various U.S. and non-U.S. governmental and regulatory agencies, including but not limited to the Securities and Exchange Commission ("SEC"), Financial Industry Regulatory Authority ("FINRA"), the U.K. Financial Conduct Authority, Central Bank of Ireland, Monetary Authority of Singapore, U.S. state insurance regulatory authorities, and the Bermuda Monetary Authority. KKR may also become subject to inquiries or investigations (through a request for information, civil investigative demand, subpoena or otherwise) by any of the foregoing governmental and regulatory agencies as well as by any other U.S. or non-U.S. governmental or regulatory agency, including but not limited to the SEC, U.S. Department of Justice ("DOJ"), U.S. state attorney generals, and similar non-U.S. governmental or regulatory agencies. KKR is currently subject to investigations by the Antitrust Division of the DOJ related to antitrust matters, including civil investigative demands and a grand jury subpoena seeking information with respect to the accuracy and completeness of certain filings made by KKR pursuant to the premerger notification requirements under the Hart-Scott-Rodino Act of 1976 for certain transactions in 2021 and 2022. In addition, KKR is currently subject to an investigation by the Antitrust Division of the DOJ related to the restrictions on interlocking directorates under Section 8 of the Clayton Act. KKR is also currently subject to investigations by the SEC related to business-related electronic communications, including with respect to the preservation of text messages and similar communications on electronic messaging applications under the Investment Advisers Act of 1940. KKR is currently cooperating with each of these named investigations.

Loss Contingencies

KKR establishes an accrued liability for legal or regulatory proceedings only when those matters present loss contingencies that are both probable and reasonably estimable. KKR includes in its financial statements the amount of any reserve for regulatory, litigation and related matters that Global Atlantic includes in its financial statements. No loss contingency is recorded for matters where such losses are either not probable or reasonably estimable (or both) at the time of determination. Such matters also have the possibility of resulting in losses in excess of any amounts accrued. To the extent KKR can in any particular period estimate an aggregate range of reasonably possible losses, these decisions involve significant judgment given that it is inherently difficult to determine whether any loss for a matter is probable or even possible or to estimate the amount of any loss in many legal, governmental and regulatory matters.

Estimating an accrued liability or a reasonably possible loss involves significant judgment due to many uncertainties, including among others: (i) the proceeding may be in early stages; (ii) damages sought may be unspecified, unsupportable, unexplained or uncertain; (iii) discovery may not have been started or is incomplete; (iv) there may be uncertainty as to the outcome of pending appeals or motions; (v) there may be significant factual issues to be resolved; (vi) there may be novel legal issues or unsettled legal theories to be presented or a large number of parties; or (vii) the proceeding relates to a regulatory examination, inquiry, or investigation. It is not possible to predict the ultimate outcome of all pending litigations, arbitrations, claims, and governmental or regulatory examinations, inquiries, investigations and proceedings, and some of the matters discussed above seek or may seek potentially large or indeterminate relief. Consequently, management is unable as of the date of filing of this report to estimate an amount or range of reasonably possible losses related to matters pending against KKR. In addition, any amounts accrued as loss contingencies or disclosed as reasonably possible losses may be, in part or in whole, subject to insurance or other payments such as contributions and indemnity, which may reduce any ultimate loss.

As of the date of filing this report, management does not believe, based on currently available information, that the outcomes of the matters pending against KKR will have a material adverse effect upon its financial statements. However, given the potentially large and/or indeterminate relief sought or that may be sought in certain of these matters and the inherent unpredictability of litigations, arbitrations, claims, and governmental or regulatory examinations, inquiries, investigations and proceedings, it is possible that an adverse outcome in certain matters could have a material adverse effect on KKR's financial results in any future period. In addition, there can be no assurance that material losses will not be incurred from claims that have not yet been asserted or those where potential losses have not yet been determined to be probable or possible and reasonably estimable.

Notes to Financial Statements (Continued)**Other Financing Arrangements**

Global Atlantic has financing arrangements with unaffiliated third parties to support the reserves of its affiliated special purpose reinsurers. Total fees associated with these financing arrangements were \$ 5.1 million for both the three months ended March 31, 2024 and 2023 and are included in insurance expenses in the consolidated statements of operations. As of both March 31, 2024 and December 31, 2023, the total capacity of the financing arrangements with third parties was \$ 2.3 billion.

Other than the matters disclosed above, there were no outstanding or unpaid balances from the financing arrangements with unaffiliated third parties as of both March 31, 2024 and December 31, 2023.

25. SUBSEQUENT EVENTS**Common Stock Dividend**

A dividend of \$ 0.175 per share of common stock of KKR & Co. Inc. has been declared and was announced on May 1, 2024. This dividend will be paid on May 28, 2024 to common stockholders of record as of the close of business on May 13, 2024.

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

The following discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements of KKR & Co. Inc., together with its consolidated subsidiaries, and the related notes included elsewhere in this report and our Annual Report, including the audited consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained therein. In addition, this discussion and analysis contains forward-looking statements and involves numerous risks and uncertainties, including those described under "Cautionary Note Regarding Forward-looking Statements" and "Business Environment" in this report and our Annual Report and "Risk Factors" in our Annual Report, and our other filings with the SEC. Actual results may differ materially from those contained in any forward-looking statements.

The unaudited condensed consolidated financial statements and the related notes included elsewhere in this report are hereafter referred to as the "financial statements." Additionally, the condensed consolidated statements of financial condition are referred to herein as the "consolidated statements of financial condition"; the condensed consolidated statements of operations are referred to herein as the "consolidated statements of operations"; the condensed consolidated statements of comprehensive income (loss) are referred to herein as the "consolidated statements of comprehensive income (loss)"; the condensed consolidated statements of changes in equity are referred to herein as the "consolidated statements of changes in equity"; and the condensed consolidated statements of cash flows are referred to herein as the "consolidated statements of cash flows."

Overview

We are a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. We aim to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in our portfolio companies and communities. We sponsor investment funds that invest in private equity, credit and real assets and have strategic partners that manage hedge funds. Our insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic.

Our asset management business offers a broad range of investment management services to fund investors around the world. Throughout our history, we have consistently been a leader in the private equity industry, having completed approximately 740 private equity investments in portfolio companies with a total transaction value in excess of \$715 billion as of March 31, 2024. Since the inception of our firm in 1976, we have expanded our investment strategies and product offerings from traditional private equity to areas such as leveraged credit, alternative credit, infrastructure, energy, real estate, growth equity, core private equity, and impact investments. We also provide capital markets services for our firm, our portfolio companies and third parties. Our balance sheet provides a significant source of capital in the growth and expansion of our business, and it has allowed us to further align our interests with those of our fund investors. Building on these efforts and leveraging our industry expertise and intellectual capital have allowed us to capitalize on a broader range of the opportunities we source and has also enabled the firm to establish a new reporting segment called Strategic Holdings, which is currently comprised of the firm's participation in our core private equity strategy.

Our insurance business is operated by Global Atlantic, in which we acquired a majority controlling interest on February 1, 2021 and the remaining equity interests in Global Atlantic that KKR did not already own on January 2, 2024. Global Atlantic is a leading retirement and life insurance company that provides a broad suite of protection, legacy and savings products and reinsurance solutions to clients across individual and institutional markets. Global Atlantic primarily offers individuals fixed-rate annuities, fixed-indexed annuities and targeted life products through a network of banks, broker-dealers and independent marketing organizations. Global Atlantic provides its institutional clients customized reinsurance solutions, including block, flow and pension risk transfer reinsurance, as well as funding agreements. Global Atlantic primarily generates income by earning a spread between its investment income and the cost of policyholder benefits. As of March 31, 2024, Global Atlantic served over three million policyholders.

Asset Management

Our asset management business offers a broad range of investment management services to fund investors around the world. In our asset management business, we have five business lines: (1) Private Equity, (2) Real Assets, (3) Credit and Liquid Strategies, (4) Capital Markets, and (5) Principal Activities. In addition to the overviews of each of these business lines provided in this report, please also refer to our Annual Report. As an asset management firm, we earn fees, including management fees and incentive fees, and carried interest for providing investment management and other services to our funds, vehicles, CLOs, managed accounts and portfolio companies, and we generate transaction fees from capital markets transactions. We earn additional investment income by investing our own capital alongside that of our fund investors and from other assets on our balance sheet. Carried interest we receive from our funds and certain other investment vehicles entitles us to a specified percentage of investment gains that are generated on third-party capital that is invested. The Asset Management segment continues to reflect how the chief operating decision makers allocate resources and assess performance in the asset management business, which includes operating collaboratively across asset management business lines, with predominantly a single expense pool.

Private Equity

Through our Private Equity business line, we manage and sponsor a group of private equity funds that invest capital for long-term appreciation, either through controlling ownership of a company or strategic non-controlling minority positions. In addition to our traditional private equity funds that invest in large and mid-sized companies, we sponsor funds that invest in core private equity, growth equity, and impact investments. Our Private Equity business line includes separately managed accounts that invest in multiple strategies, which may include our credit and real assets strategies, as well as our private equity strategies. These funds and accounts are managed by Kohlberg Kravis Roberts & Co. L.P., an SEC-registered investment adviser. As of March 31, 2024, our Private Equity business line had \$182.8 billion of AUM, consisting of \$129.5 billion in traditional private equity, \$35.2 billion in core private equity and \$18.1 billion in growth equity, which includes \$4.5 billion of impact investments.

The table below presents information as of March 31, 2024, relating to our current private equity and other vehicles reported in our Private Equity business line for which we have the ability to earn carried interest. This data does not reflect acquisitions or disposals of investments, changes in investment values, or distributions occurring after March 31, 2024.

	Investment Period		Amount (\$ in millions)							
	Start	End	Uncalled				Remaining	Remaining	Gross Accrued	
	Date ⁽¹⁾	Date ⁽²⁾	Commitment ⁽³⁾	Commitments	Invested	Realized	Cost ⁽⁴⁾	Fair Value	Carried Interest	
Private Equity Business Line										
North America Fund XIII	8/2021	8/2027	\$ 18,400	\$ 8,219	\$ 10,181	\$ —	\$ 10,181	\$ 11,710	\$ 155	
Americas Fund XII	5/2017	5/2021	13,500	1,616	12,490	9,835	9,301	18,800	1,635	
North America Fund XI	11/2012	1/2017	8,718	142	10,055	22,858	2,571	3,356	192	
2006 Fund ⁽⁵⁾	9/2006	9/2012	17,642	—	17,309	37,423	—	—	—	
Millennium Fund ⁽⁵⁾	12/2002	12/2008	6,000	—	6,000	14,123	—	4	1	
Ascendant Fund	6/2022	6/2028	3,549	3,549	—	—	—	—	—	
European Fund VI	6/2022	6/2028	7,431	5,855	1,576	—	1,576	1,153	—	
European Fund V	7/2019	2/2022	6,339	658	5,751	922	5,572	7,452	393	
European Fund IV	2/2015	3/2019	3,512	21	3,643	5,726	1,621	2,659	202	
European Fund III ⁽⁵⁾	3/2008	3/2014	5,506	146	5,360	10,625	586	28	29	
European Fund II ⁽⁵⁾	11/2005	10/2008	5,751	—	5,751	8,507	—	25	5	
Asian Fund IV	7/2020	7/2026	14,735	8,322	6,965	552	6,810	9,055	352	
Asian Fund III	8/2017	7/2020	9,000	1,329	8,192	6,611	6,624	12,670	1,146	
Asian Fund II	10/2013	3/2017	5,825	—	7,494	6,694	2,697	2,073	(346)	
Asian Fund ⁽⁵⁾	7/2007	4/2013	3,983	—	3,974	8,728	—	—	21	
Next Generation Technology Growth Fund III	11/2022	11/2028	2,740	2,321	419	—	419	477	—	
Next Generation Technology Growth Fund II	12/2019	5/2022	2,088	104	2,181	548	1,937	3,062	220	
Next Generation Technology Growth Fund	3/2016	12/2019	659	4	670	1,148	276	1,017	83	
Health Care Strategic Growth Fund II	5/2021	5/2027	3,789	2,812	977	—	977	1,102	—	
Health Care Strategic Growth Fund	12/2016	4/2021	1,331	137	1,324	283	1,134	1,861	106	
Global Impact Fund II	6/2022	6/2028	2,704	1,888	816	—	816	726	—	
Global Impact Fund	2/2019	3/2022	1,242	223	1,195	474	1,018	1,625	118	
Co-Investment Vehicles and Other	Various	Various	20,763	3,358	17,973	10,274	12,473	15,419	1,329	
Core Investors II	8/2022	8/2027	11,814	8,963	2,851	—	2,851	3,049	6	
Core Investors I	2/2018	8/2022	8,500	44	9,311	1,038	8,411	15,951	12	
Other Core Vehicles	Various	Various	5,131	1,251	3,951	1,432	3,487	5,894	52	
Unallocated Commitments ⁽⁶⁾	N/A	N/A	3,989	3,989	—	—	—	—	—	
Total Private Equity			\$ 194,641	\$ 54,951	\$ 146,409	\$ 147,801	\$ 81,338	\$ 119,168	\$ 5,711	

- (1) The start date represents the start of the fund's investment period as defined in the fund's governing documents and may or may not be the same as the date upon which management fees begin to accrue. For further information on management fee calculations, see "—Critical Accounting Policies and Estimates - Asset Management and Strategic Holdings—Revenues."
- (2) The end date represents the end of the fund's investment period as defined in the fund's governing documents and is generally not the date upon which management fees cease to be paid. For further information on management fee calculations, see "—Critical Accounting Policies and Estimates - Asset Management and Strategic Holdings—Revenues."
- (3) The commitment represents the aggregate capital commitments to the fund, including capital commitments by third-party fund investors and the general partner. Foreign currency commitments have been converted into U.S. dollars based on the exchange rate that prevailed on March 31, 2024.
- (4) The remaining cost represents the initial investment of the general partner and limited partners, reduced for returns of capital.
- (5) The "Invested" and "Realized" columns do not include the amounts of any realized investments that restored the unused capital commitments of the fund investors, if any.
- (6) "Unallocated Commitments" represent commitments received from our strategic investor partnerships that have yet to be allocated to a particular investment strategy.

Real Assets

Through our Real Assets business line, we manage and sponsor a group of real assets funds and accounts that invest capital in infrastructure, real estate, or energy. These funds and accounts are managed by Kohlberg Kravis Roberts & Co. L.P. or one of its subsidiaries. As of March 31, 2024, our Real Assets business line had \$135.4 billion of AUM, consisting of \$70.5 billion in real estate (of which \$37.7 billion is real estate credit and \$32.8 billion is real estate equity), \$61.2 billion in infrastructure, and \$3.7 billion in energy.

The table below presents information as of March 31, 2024, relating to our current real asset and other vehicles reported in our Real Assets business line for which we have the ability to earn carried interest. This data does not reflect acquisitions or disposals of investments, changes in investment values, or distributions occurring after March 31, 2024.

	Investment Period		Amount (\$ in millions)						
	Start Date ⁽¹⁾	End Date ⁽²⁾	Commitment ⁽³⁾	Uncalled Commitments	Invested	Realized	Remaining Cost ⁽⁴⁾	Remaining Fair Value	Gross Accrued Carried Interest
Real Assets Business Line									
Global Infrastructure Investors IV	8/2021	8/2027	\$ 16,590	\$ 6,860	\$ 10,062	\$ 332	\$ 9,856	\$ 11,618	\$ 284
Global Infrastructure Investors III	7/2018	6/2021	7,166	1,096	6,335	1,993	5,478	7,862	484
Global Infrastructure Investors II	12/2014	6/2018	3,040	130	3,166	5,386	711	1,115	38
Global Infrastructure Investors	9/2010	10/2014	1,040	—	1,050	2,228	—	—	—
Asia Pacific Infrastructure Investors II	9/2022	9/2028	6,348	5,444	904	—	904	963	—
Asia Pacific Infrastructure Investors	1/2020	9/2022	3,792	691	3,385	847	2,879	3,385	135
Diversified Core Infrastructure Fund	12/2020	(5)	9,800	1,073	8,803	639	8,737	9,275	—
Real Estate Partners Americas III	1/2021	1/2025	4,253	1,544	2,818	229	2,655	2,656	—
Real Estate Partners Americas II	5/2017	12/2020	1,921	244	1,960	2,692	444	440	13
Real Estate Partners Americas	5/2013	5/2017	1,229	135	1,024	1,416	54	31	(3)
Real Estate Partners Europe II	3/2020	12/2023	2,061	510	1,755	431	1,451	1,421	—
Real Estate Partners Europe	8/2015	12/2019	707	99	687	775	200	197	(8)
Asia Real Estate Partners	7/2019	7/2023	1,682	401	1,288	23	1,245	1,470	—
Property Partners Americas	12/2019	(5)	2,571	48	2,523	159	2,523	2,250	—
Real Estate Credit Opportunity Partners II	8/2019	6/2023	950	—	976	257	976	938	17
Real Estate Credit Opportunity Partners I	2/2017	4/2019	1,130	122	1,008	531	1,008	992	3
Energy Related Vehicles	Various	Various	4,385	62	4,188	1,929	1,241	1,709	44
Co-Investment Vehicles and Other	Various	Various	11,413	5,147	6,304	1,687	5,893	5,841	28
Total Real Assets			\$ 80,078	\$ 23,606	\$ 58,236	\$ 21,554	\$ 46,255	\$ 52,163	\$ 1,035

(1) The start date represents the start of the fund's investment period as defined in the fund's governing documents and may or may not be the same as the date upon which management fees begin to accrue. For further information on management fee calculations, see "—Critical Accounting Policies and Estimates - Asset Management and Strategic Holdings—Revenues."

(2) The end date represents the end of the fund's investment period as defined in the fund's governing documents and is generally not the date upon which management fees cease to be paid. For further information on management fee calculations, see "—Critical Accounting Policies and Estimates - Asset Management and Strategic Holdings—Revenues."

(3) The commitment represents the aggregate capital commitments to the fund, including capital commitments by third-party fund investors and the general partner. Foreign currency commitments have been converted into U.S. dollars based on the exchange rate that prevailed on March 31, 2024.

(4) The remaining cost represents the initial investment of the general partner and limited partners, reduced for returns of capital.

(5) Open-ended fund.

Private Equity and Real Asset Performance

The table below presents information as of March 31, 2024, relating to the historical performance of certain of our Private Equity and Real Assets investment vehicles since inception, which we believe illustrates the benefits of our investment approach. This data does not reflect additional capital raised since March 31, 2024, or acquisitions or disposals of investments, changes in investment values, or distributions occurring after that date. The information presented below is not intended to be representative of any past or future performance for any particular period other than the period presented below. Past performance is no guarantee of future results.

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Private Equity and Real Assets Business Lines Investment Funds and Other Vehicles						Gross	Net	Gross Multiple of Invested
	Commitment ⁽²⁾	Invested	Realized ⁽⁴⁾	Unrealized	Total Value	IRR ⁽³⁾	IRR ⁽³⁾	Capital ⁽⁵⁾
(\$ in millions)								
Total Investments								
<i>Legacy Funds ⁽¹⁾</i>								
1976 Fund	\$ 31	\$ 31	\$ 537	\$ —	\$ 537	39.5 %	35.5 %	17.1
1980 Fund	357	357	1,828	—	1,828	29.0 %	25.8 %	5.1
1982 Fund	328	328	1,291	—	1,291	48.1 %	39.2 %	3.9
1984 Fund	1,000	1,000	5,964	—	5,964	34.5 %	28.9 %	6.0
1986 Fund	672	672	9,081	—	9,081	34.4 %	28.9 %	13.5
1987 Fund	6,130	6,130	14,949	—	14,949	12.1 %	8.9 %	2.4
1993 Fund	1,946	1,946	4,143	—	4,143	23.6 %	16.8 %	2.1
1996 Fund	6,012	6,012	12,477	—	12,477	18.0 %	13.3 %	2.1
Subtotal - Legacy Funds	16,475	16,475	50,269	—	50,269	26.1 %	19.9 %	3.1
<i>Included Funds</i>								
European Fund (1999)	3,085	3,085	8,758	—	8,758	26.9 %	20.2 %	2.8
Millennium Fund (2002)	6,000	6,000	14,123	4	14,127	22.0 %	16.1 %	2.4
European Fund II (2005)	5,751	5,751	8,507	25	8,532	6.1 %	4.5 %	1.5
2006 Fund (2006)	17,642	17,309	37,423	—	37,423	11.9 %	9.3 %	2.2
Asian Fund (2007)	3,983	3,974	8,728	—	8,728	18.9 %	13.6 %	2.2
European Fund III (2008)	5,506	5,360	10,625	28	10,653	16.4 %	11.2 %	2.0
E2 Investors (Annex Fund) (2009)	196	196	200	—	200	0.6 %	0.5 %	1.0
China Growth Fund (2010)	1,010	1,010	1,152	19	1,171	3.8 %	(0.2)%	1.2
Natural Resources Fund (2010)	887	887	168	—	168	(24.3)%	(25.9)%	0.2
Global Infrastructure Investors (2010)	1,040	1,050	2,228	—	2,228	17.6 %	15.6 %	2.1
North America Fund XI (2012)	8,718	10,055	22,858	3,356	26,214	23.7 %	19.2 %	2.6
Asian Fund II (2013)	5,825	7,494	6,694	2,073	8,767	4.5 %	2.9 %	1.2
Real Estate Partners Americas (2013)	1,229	1,024	1,416	31	1,447	15.8 %	11.0 %	1.4
Energy Income and Growth Fund (2013)	1,589	1,589	1,221	—	1,221	(6.1)%	(8.8)%	0.8
Global Infrastructure Investors II (2014)	3,040	3,166	5,386	1,115	6,501	19.6 %	16.9 %	2.1
European Fund IV (2015)	3,512	3,643	5,726	2,659	8,385	23.4 %	18.2 %	2.3
Real Estate Partners Europe (2015)	707	687	775	197	972	12.0 %	8.9 %	1.4
Next Generation Technology Growth Fund (2016)	659	670	1,148	1,017	2,165	31.1 %	26.6 %	3.2
Health Care Strategic Growth Fund (2016)	1,331	1,324	283	1,861	2,144	18.0 %	12.1 %	1.6
Americas Fund XII (2017)	13,500	12,490	9,835	18,800	28,635	24.9 %	20.5 %	2.3
Real Estate Credit Opportunity Partners (2017)	1,130	1,008	531	992	1,523	9.1 %	7.7 %	1.5
Core Investment Vehicles (2017)	25,445	16,113	2,470	24,894	27,364	17.3 %	16.2 %	1.7
Asian Fund III (2017)	9,000	8,192	6,611	12,670	19,281	29.4 %	23.2 %	2.4
Real Estate Partners Americas II (2017)	1,921	1,960	2,692	440	3,132	25.4 %	20.8 %	1.6
Global Infrastructure Investors III (2018)	7,166	6,335	1,993	7,862	9,855	16.2 %	12.8 %	1.6
Global Impact Fund (2019)	1,242	1,195	474	1,625	2,099	24.4 %	18.2 %	1.8
European Fund V (2019)	6,339	5,751	922	7,452	8,374	15.1 %	11.6 %	1.5
Energy Income and Growth Fund II (2018)	994	1,191	330	1,543	1,873	17.2 %	15.3 %	1.6
Asia Real Estate Partners (2019)	1,682	1,288	23	1,470	1,493	10.4 %	5.4 %	1.2
Next Generation Technology Growth Fund II (2019)	2,088	2,181	548	3,062	3,610	22.6 %	17.7 %	1.7
Real Estate Credit Opportunity Partners II (2019)	950	976	257	938	1,195	10.4 %	7.8 %	1.2
Asia Pacific Infrastructure Investors (2020)	3,792	3,385	847	3,385	4,232	14.8 %	10.4 %	1.3
Asian Fund IV (2020)	14,735	6,965	552	9,055	9,607	19.5 %	12.7 %	1.4
Real Estate Partners Europe II (2020)	2,061	1,755	431	1,421	1,852	3.4 %	0.3 %	1.1
Real Estate Partners Americas III (2021)	4,253	2,818	229	2,656	2,885	1.3 %	(1.2)%	1.0
Health Care Strategic Growth Fund II (2021)	3,789	977	—	1,102	1,102	12.4 %	(3.4)%	1.1
North America Fund XIII (2021)	18,400	10,181	—	11,710	11,710	12.9 %	7.9 %	1.2
Global Infrastructure Investors IV (2022) ⁽³⁾	16,590	10,062	332	11,618	11,950	—	—	—

European Fund VI (2022) ⁽³⁾	7,431	1,576	—	1,153	1,153	—	—	—
Global Impact Fund II (2022) ⁽³⁾	2,704	816	—	726	726	—	—	—
Asia Pacific Infrastructure Investors II (2022) ⁽³⁾	6,348	904	—	963	963	—	—	—
Next Generation Technology Growth Fund III (2022) ⁽³⁾	2,740	419	—	477	477	—	—	—
Ascendant Fund (2022) ⁽³⁾	3,549	—	—	—	—	—	—	—
Subtotal - Included Funds	229,559	172,812	166,496	138,399	304,895	16.1 %	12.4 %	1.8
All Funds	\$ 246,034	\$ 189,287	\$ 216,765	\$ 138,399	\$ 355,164	25.5 %	18.7 %	1.9

- (1) These funds were not contributed to KKR as part of the acquisition of the assets and liabilities of KKR & Co. (Guernsey) L.P. (formerly known as KKR Private Equity Investors, L.P.) on October 1, 2009.
- (2) Where commitments are not U.S. dollar-denominated, such amounts have been converted into U.S. dollars based on the exchange rate prevailing on March 31, 2024.
- (3) The gross IRR, net IRR and gross multiple of invested capital are calculated for our investment funds that made their first investment at least 24 months prior to March 31, 2024. We therefore have not calculated gross IRRs, net IRRs and gross multiples of invested capital with respect to these funds.
- (4) An investment is considered realized when it has been disposed of or has otherwise generated disposition proceeds or current income that has been distributed by the relevant fund.

- (5) IRRs measure the aggregate annual compounded returns generated by a fund's investments over a holding period. Net IRRs are calculated after giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees and organizational expenses. Gross IRRs are calculated before giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees and organizational expenses.

The gross multiples of invested capital measure the aggregate value generated by a fund's investments in absolute terms. Each multiple of invested capital is calculated by adding together the total realized and unrealized values of a fund's investments and dividing by the total amount of capital invested by the fund. Such amounts do not give effect to the allocation of realized and unrealized carried interest or the payment of any applicable management fees or organizational expenses.

KKR's Private Equity and Real Assets funds may utilize third-party financing facilities to provide liquidity to such funds. The above net and gross IRRs are calculated from the time capital contributions are due from fund investors to the time fund investors receive a related distribution from the fund, and the use of such financing facilities generally decreases the amount of time that would otherwise be used to calculate IRRs, which tends to increase IRRs when fair value grows over time and decrease IRRs when fair value decreases over time. KKR's Private Equity and Real Assets funds also generally provide in certain circumstances, which vary depending on the relevant fund documents, for a portion of capital returned to investors to be restored to unused commitments as recycled capital. For KKR's Private Equity and Real Assets funds that have a preferred return, we take into account recycled capital in the calculation of IRRs and multiples of invested capital because the calculation of the preferred return includes the effect of recycled capital. For KKR's Private Equity and Real Assets funds that do not have a preferred return, we do not take recycled capital into account in the calculation of IRRs and multiples of invested capital. The inclusion of recycled capital generally causes invested and realized amounts to be higher and IRRs and multiples of invested capital to be lower than had recycled capital not been included. The inclusion of recycled capital would reduce the composite net IRR of all Included Funds by 0.1% and the composite net IRR of all Legacy Funds by 0.5% and would reduce the composite multiple of invested capital of Included Funds by less than 0.1 and the composite multiple of invested capital of Legacy Funds by 0.4.

For more information, see "Risk Factors—Risks Related to Our Investment Activities—Future results of our investments may be different than, and may not achieve the levels of, any of our historical returns" in our Annual Report.

Credit and Liquid Strategies

Through our Credit and Liquid Strategies business line, we report our credit and hedge funds platforms on a combined basis. As of March 31, 2024, our Credit and Liquid Strategies business line had \$259.5 billion of AUM, comprised of \$130.3 billion of assets managed in our leveraged credit strategies, \$92.7 billion of assets managed in our private credit strategy, \$9.2 billion of assets managed in our strategic investments group ("SIG") strategy, and \$27.3 billion of assets managed through our hedge fund platform. We manage \$137.0 billion of credit investments for our Global Atlantic insurance companies. Our BDCs have approximately \$15.3 billion in assets under management, which is reflected in the AUM of our leveraged credit and private credit strategies above. We report all of the assets under management of our BDCs in our AUM, but we report only a pro rata portion of the assets under management of our hedge fund partnerships based on our percentage ownership in them.

Credit

Our credit platform invests capital in a broad range of corporate debt and collateral-backed investments across asset classes and capital structures. Our credit strategies are primarily managed by KKR Credit Advisors (US) LLC, which is an SEC-registered investment adviser, KKR Credit Advisors (Ireland) Unlimited Company, which is regulated by the Central Bank of Ireland ("CBI"), KKR Credit Advisors (EMEA) LLP, which is regulated by the United Kingdom ("UK") Financial Conduct Authority (the "FCA"), and KKR Credit Advisors (Singapore) Pte. Ltd., which is regulated by the Monetary Authority of Singapore and an SEC-registered investment adviser. We also jointly own with a third party FS/KKR Advisor, LLC, an investment adviser registered with the SEC that provides investment advisory services to certain registered investment companies, including FS KKR Capital Corp. (NYSE: FSK), a publicly listed BDC and KKR FS Income Trust, a privately-offered BDC.

Our hedge funds platform consists of strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake. Our hedge fund partnerships offer a range of alternative investment strategies, including long/short equity and hedge fund-of-funds.

Our credit business pursues a variety of investment strategies in leveraged credit and alternative credit.

Leveraged Credit. Our leveraged credit strategies seek to primarily invest in leveraged loans (including revolving credit facilities), CLOs, high yield bonds, structured credit, stressed securities and illiquid credits. Within leveraged credit, we manage both single-asset class and multi-asset class pools of capital. Our opportunistic credit strategy seeks to deploy capital across investment themes that seek to take advantage of credit market dislocations, spanning asset types and liquidity profiles. Our multi-asset credit strategy seeks to dynamically allocate across asset types in a broadly diversified strategy. Our revolving credit strategy invests in senior secured revolving credit facilities.

Alternative Credit. Our alternative credit strategy consists of our (i) private credit strategies and (ii) investments overseen by our credit platform's SIG group:

- **Private Credit.** Our private credit strategies focus on privately or directly originated and negotiated transactions. These strategies include direct lending typically in the senior part of a company's capital structure, junior mezzanine debt, and asset-based finance. Through our direct lending strategy, we seek to make investments in primarily senior debt financings for middle-market companies. Through our junior mezzanine debt strategy, investments typically consist of subordinated debt, which generates a current yield, coupled with marginal equity exposure for additional upside potential. Our asset-based finance strategy focuses on portfolios of financial loans and loans backed by hard assets.
- **Strategic Investments Group.** This strategy seeks to provide strategic capital solutions to high quality, mid-to-large cap companies and assets. The strategy pursues investments in corporate credit as well as asset or real estate-backed credit, where we believe market volatility or other investment themes have created the opportunity to invest opportunistically across the capital structure and through market cycles to generate outsized returns with downside-protected securities. These investments may include stressed or distressed investments (including post-restructuring equity), control-oriented opportunities, rescue financing (debt or equity investments made to address covenant, maturity or liquidity issues), debtor-in-possession or exit financing and other event-driven investments in debt or equity.

Hedge Fund Platform

Our hedge fund platform consists of strategic partnerships with third-party hedge fund managers in which KKR owns a minority stake. This principally consists of a 39.6% interest in Marshall Wace LLP (together with its affiliates, "Marshall Wace"), a global alternative investment manager specializing in long/short equity products. We also own other interests in third-party hedge fund managers, including a 39.9% interest in PAAMCO Prisma Holdings, LLC, an investment manager focused on liquid alternative investment solutions, including hedge fund-of-fund portfolios.

The table below presents information as of March 31, 2024, relating to our current credit and other vehicles reported in our Credit and Liquid Strategies business line for which we have the ability to earn carried interest. This data does not reflect acquisitions or disposals of investments, changes in investment values, or distributions occurring after March 31, 2024.

	Investment Period			Amount (\$ in millions)						
	Start	End	Commitment ⁽³⁾	Uncalled		Invested	Realized	Remaining	Remaining	Gross Accrued
	Date ⁽¹⁾	Date ⁽²⁾		Commitments	Cost ⁽⁴⁾			Fair Value	Carried Interest	
Credit and Liquid Strategies Business Line										
Opportunities Fund II	11/2021	1/2026	\$ 2,336	\$ 1,627	\$ 709	\$ 12	\$ 709	\$ 782	\$	9
Dislocation Opportunities Fund	8/2019	11/2021	2,967	450	2,517	1,534	1,456	1,618		68
Special Situations Fund II	2/2015	3/2019	3,525	284	3,241	2,412	1,134	1,191		—
Special Situations Fund	1/2013	1/2016	2,274	1	2,273	1,804	426	320		—
Mezzanine Partners	7/2010	3/2015	1,023	33	990	1,166	184	154		(20)
Asset-Based Finance Partners	10/2020	7/2025	2,059	894	1,165	105	1,165	1,266		29
Private Credit Opportunities Partners II	12/2015	12/2020	2,245	354	1,891	902	1,240	1,202		—
Lending Partners IV	3/2022	9/2026	1,150	518	632	43	633	680		6
Lending Partners III	4/2017	11/2021	1,498	540	958	832	701	708		43
Lending Partners II	6/2014	6/2017	1,336	157	1,179	1,198	151	82		—
Lending Partners	12/2011	12/2014	460	40	420	458	23	11		—
Lending Partners Europe II	5/2019	9/2023	837	210	627	280	519	548		6
Lending Partners Europe	3/2015	3/2019	848	184	662	470	184	176		—
Asia Credit Opportunities	1/2021	5/2025	1,084	506	578	24	578	657		14
Other Alternative Credit Vehicles	Various	Various	14,687	8,747	7,798	6,167	4,110	4,459		32
Total Credit and Liquid Strategies			\$ 38,329	\$ 14,545	\$ 25,640	\$ 17,407	\$ 13,213	\$ 13,854	\$	187

- (1) The start date represents the start of the fund's investment period as defined in the fund's governing documents and may or may not be the same as the date upon which management fees begin to accrue. For further information on management fee calculations, see "—Critical Accounting Policies and Estimates - Asset Management and Strategic Holdings—Revenues."
- (2) The end date represents the end of the fund's investment period as defined in the fund's governing documents and is generally not the date upon which management fees cease to be paid. For further information on management fee calculations, see "—Critical Accounting Policies and Estimates - Asset Management and Strategic Holdings—Revenues."
- (3) The commitment represents the aggregate capital commitments to the fund, including capital commitments by third-party fund investors and the general partner. Foreign currency commitments have been converted into U.S. dollars based on the foreign exchange rate that prevailed on March 31, 2024.
- (4) The remaining cost represents the initial investment of the general partner and limited partners, reduced for returns of capital.

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The following table presents information regarding larger leveraged credit strategies managed by KKR from inception to March 31, 2024. The information presented below is not intended to be representative of any past or future performance for any particular period other than the period presented below. Past performance is no guarantee of any future result.

Leveraged Credit Strategy	Inception Date	Gross Returns	Net Returns	Benchmark ⁽¹⁾	Benchmark Gross Returns
Multi-Asset Credit Composite	Jul 2008	7.07 %	6.38 %	50% S&P/LSTA Loan Index, 50% BoAML HY Master II Index ⁽²⁾	5.67%
Opportunistic Credit ⁽³⁾	May 2008	10.74 %	9.15 %	50% S&P/LSTA Loan Index, 50% BoAML HY Master II Index ⁽³⁾	5.86%
Bank Loans	Apr 2011	5.74 %	5.17 %	S&P/LSTA Loan Index ⁽⁴⁾	4.65%
High-Yield	Apr 2011	6.04 %	5.46 %	BoAML HY Master II Index ⁽⁵⁾	5.35%
European Leveraged Loans ⁽⁶⁾	Sep 2009	4.77 %	4.25 %	CS Inst West European Leveraged Loan Index ⁽⁷⁾	3.79%
European Credit Opportunities ⁽⁶⁾	Sept 2007	6.83 %	5.64 %	S&P European Leveraged Loans (All Loans) ⁽⁸⁾	4.32%

- (1) The benchmarks referred to herein include the S&P/LSTA Leveraged Loan Index (the "S&P/LSTA Loan Index"), S&P/LSTA U.S. B/BB Ratings Loan Index (the "S&P/LSTA BB-B Loan Index"), the Bank of America Merrill Lynch High Yield Master II Index (the "BoAML HY Master II Index"), the BofA Merrill Lynch BB-B US High Yield Index (the "BoAML HY BB-B Constrained"), the Credit Suisse Institutional Western European Leveraged Loan Index (the "CS Inst West European Leveraged Loan Index"), and S&P European Leveraged Loans (All Loans). The S&P/LSTA Loan Index is a daily tradable index for the U.S. loan market that seeks to mirror the market-weighted performance of the largest institutional loans that meet certain criteria. The BoAML HY Master II Index is an index for high-yield corporate bonds. It is designed to measure the broad high-yield market, including lower-rated securities. The CS Inst West European Leveraged Loan Index contains only institutional loan facilities priced above 90, excluding TL and TLa facilities and loans rated CC, C or are in default. The S&P European Leveraged Loan Index reflects the market-weighted performance of institutional leveraged loan portfolios investing in European credits. While the returns of our leveraged credit strategies reflect the reinvestment of income and dividends, none of the indices presented in the chart above reflect such reinvestment, which has the effect of increasing the reported relative performance of these strategies as compared to the indices. Furthermore, these indices are not subject to management fees, incentive allocations, or expenses.
- (2) Performance is based on a blended composite of Bank Loans, High Yield, and Structured Credit strategy accounts. The benchmark used for purposes of comparison for the Multi-Asset Credit Composite strategy is based on 65% S&P/LSTA Loan Index and 35% BoAML HY Master II Index to May 2022, and 50% S&P/LSTA Loan Index, 50% BoAML HY Master II Index, from June 2022.
- (3) The Opportunistic Credit strategy invests in high-yield securities and corporate loans with no preset allocation. The benchmark used for purposes of comparison for the Opportunistic Credit strategy presented herein is based on 50% S&P/LSTA Loan Index and 50% BoAML HY Master II Index. Funds within this strategy may utilize third-party financing facilities to enhance investment returns. In cases where financing facilities are used, the amounts drawn on the facility are deducted from the assets of the fund in the calculation of net asset value, which tends to increase returns when net asset value grows over time and decrease returns when net asset value decreases over time.
- (4) Performance is based on a composite of portfolios that primarily invest in leveraged loans. The benchmark used for purposes of comparison for the Bank Loans strategy is based on the S&P/LSTA Loan Index.
- (5) Performance is based on a composite of portfolios that primarily invest in high-yield securities. The benchmark used for purposes of comparison for the High Yield strategy is based on the BoAML HY Master II Index.
- (6) The returns presented are calculated based on local currency.
- (7) Performance is based on a composite of portfolios that primarily invest in higher quality leveraged loans. The benchmark used for purposes of comparison for the European Leveraged Loans strategy is based on the CS Inst West European Leveraged Loan Index.
- (8) Performance is based on a composite of portfolios that primarily invest in European institutional leveraged loans. The benchmark used for purposes of comparison for the European Credit Opportunities strategy is based on the S&P European Leveraged Loans (All Loans) Index.

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The following table presents information regarding our alternative credit investment funds where investors have capital commitments from inception to March 31, 2024. The information presented below is not intended to be representative of any past or future performance for any particular period other than the period presented below. Past performance is no guarantee of any future result.

Credit and Liquid Strategies Investment Funds	Investment Period Start Date	Amount		Fair Value of Investments		Total Value	Gross IRR ⁽²⁾	Net IRR ⁽²⁾	Multiple of Invested Capital ⁽³⁾
		Commitment	Invested ⁽¹⁾	Realized ⁽¹⁾	Unrealized				
		(\$ in Millions)							
Opportunities Fund II	Nov 2021	\$ 2,336	\$ 709	\$ 12	\$ 782	\$ 794	18.7 %	12.4 %	1.1
Dislocation Opportunities Fund	Aug 2019	2,967	2,517	1,534	1,618	3,152	11.5 %	9.1 %	1.3
Special Situations Fund II	Feb 2015	3,525	3,241	2,412	1,191	3,603	2.6 %	0.7 %	1.1
Special Situations Fund	Jan 2013	2,274	2,273	1,804	320	2,124	(1.5)%	(3.2)%	0.9
Mezzanine Partners	July 2010	1,023	990	1,166	154	1,320	9.1 %	5.9 %	1.3
Asset-Based Finance Partners	Oct 2020	2,059	1,165	105	1,266	1,371	15.3 %	11.1 %	1.2
Private Credit Opportunities Partners II	Dec 2015	2,245	1,891	902	1,202	2,104	3.1 %	1.3 %	1.1
Lending Partners IV	Mar 2022	1,150	632	43	680	723	19.7 %	16.0 %	1.1
Lending Partners III	Apr 2017	1,498	958	832	708	1,540	15.2 %	12.5 %	1.6
Lending Partners II	Jun 2014	1,336	1,179	1,198	82	1,280	2.9 %	1.5 %	1.1
Lending Partners	Dec 2011	460	420	458	11	469	3.5 %	1.8 %	1.1
Lending Partners Europe II	May 2019	837	627	280	548	828	17.0 %	13.3 %	1.3
Lending Partners Europe	Mar 2015	848	662	470	176	646	(0.5)%	(2.6)%	1.0
Asia Credit Opportunities	Jan 2021	1,084	578	24	657	681	15.8 %	11.3 %	1.2
Other Alternative Credit Vehicles	Various	14,687	7,798	6,167	4,459	10,626	N/A	N/A	N/A
All Funds		\$ 38,329	\$ 25,640	\$ 17,407	\$ 13,854	\$ 31,261			

(1) Recycled capital is excluded from the amounts invested and realized.

(2) These credit funds utilize third-party financing facilities to provide liquidity to such funds, and in such event IRRs are calculated from the time capital contributions are due from fund investors to the time fund investors receive a related distribution from the fund. The use of such financing facilities generally decreases the amount of invested capital that would otherwise be used to calculate IRRs, which tends to increase IRRs when fair value grows over time and decrease IRRs when fair value decreases over time. IRRs measure the aggregate annual compounded returns generated by a fund's investments over a holding period and are calculated taking into account recycled capital. Net IRRs presented are calculated after giving effect to the allocation of realized and unrealized carried interest and the payment of any applicable management fees and organizational expenses. Gross IRRs are calculated before giving effect to the allocation of carried interest and the payment of any applicable management fees and organizational expenses.

(3) The multiples of invested capital measure the aggregate value generated by a fund's investments in absolute terms. Each multiple of invested capital is calculated by adding together the total realized and unrealized values of a fund's investments and dividing by the total amount of capital invested by the investors. The use of financing facilities generally decreases the amount of invested capital that would otherwise be used to calculate multiples of invested capital, which tends to increase multiples when fair value grows over time and decrease multiples when fair value decreases over time. Such amounts do not give effect to the allocation of any realized and unrealized returns on a fund's investments to the fund's general partner pursuant to a carried interest or the payment of any applicable management fees and are calculated without taking into account recycled capital.

For additional information regarding impact of market conditions on the value and performance of our investments, see "Risk Factors—Risks Related to Our Business—Difficult market and economic conditions can, and periodically do, materially and adversely affect KKR." and "Risk Factors—Risks Related to Our Investment Activities—Future results of our investments may be different than, and may not achieve the levels of, any of our historical returns" in our Annual Report.

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The table below presents information as of March 31, 2024, based on the investment funds or other vehicles or accounts offered by our Credit and Liquid Strategies business line. Our funds, vehicles and accounts have been sorted based upon their primary investment strategies. However, the AUM and FPAUM presented for each line in the table includes certain investments from non-primary investment strategies, which are permitted by their investment mandates, for purposes of presenting the fees and other terms for such funds, vehicles and accounts.

(\$ in millions)	AUM	FPAUM	Typical Management Fee Rate	Incentive Fee / Carried Interest	Preferred Return	Duration of Capital
Leveraged Credit:						
Leveraged Credit SMAs/Funds ⁽¹⁾	\$ 103,865	\$ 101,493	0.15% - 1.30%	Various ⁽²⁾	Various ⁽²⁾	Subject to redemptions
CLOs	26,659	26,659	0.40% - 0.50%	Various ⁽²⁾	Various ⁽²⁾	10-14 Years ⁽³⁾
Total Leveraged Credit	130,524	128,152				
Alternative Credit: ⁽⁴⁾						
Private Credit ⁽¹⁾	77,271	63,353	0.25% - 1.50% ⁽⁵⁾	10.00 - 20.00%	5.00 - 8.00%	8-15 Years ⁽³⁾
SIG	9,059	4,511	0.50% - 1.75%	10.00 - 20.00%	7.00 - 12.00%	7-15 Years ⁽³⁾
Total Alternative Credit	86,330	67,864				
Hedge Funds ⁽⁶⁾						
Hedge Funds ⁽⁶⁾	27,342	27,342	0.50% - 2.00%	Various ⁽²⁾	Various ⁽²⁾	Subject to redemptions
BDCs ⁽⁷⁾	15,309	15,309	0.60% - 0.625%	7.00% - 8.00%	7.00%	Indefinite
Total	\$ 259,505	\$ 238,667				

(1) Includes credit investments we manage for our Global Atlantic insurance companies. This capital is perpetual in nature, not subject to an incentive fee or carried interest, and does not require a preferred return.

(2) Certain funds and CLOs are subject to a performance fee in which the manager or general partner of the funds share up to 20% of the net profits earned by investors in excess of performance hurdles (generally tied to a benchmark or index) and subject to a provision requiring the funds and vehicles to regain prior losses before any performance fee is earned.

(3) Duration of capital is measured from inception. Inception dates for CLOs were between 2013 and 2024 and for separately managed accounts and funds investing in alternative credit strategies from 2009 through 2024.

(4) Our alternative credit funds generally have investment periods of two to five years and our newer alternative credit funds generally earn management fees on invested capital throughout their lifecycle.

(5) Lower fees on uninvested capital in certain vehicles.

(6) Hedge Funds represent KKR's pro rata portion of AUM and FPAUM of our hedge fund partnerships.

(7) Represents FS KKR Capital Corp. and KKR FS Income Trust. We report all of the assets under management of these BDCs in our AUM and FPAUM.

Capital Markets

Our Capital Markets business line is comprised of our global capital markets business, which is integrated with KKR's asset management business lines, and serves our firm, our portfolio companies and third-party customers by developing and implementing both traditional and non-traditional capital solutions for investments or companies seeking financing. These services include arranging debt and equity financing, placing and underwriting securities offerings, and providing other types of capital markets services that result in the firm receiving fees, including underwriting, placement, transaction and syndication fees, commissions, underwriting discounts, interest payments and other compensation, which may be payable in cash or securities, in respect of the activities described above. The third-party customers of our capital markets business include multinational corporations, public and private companies, financial sponsors, mutual funds, pension funds, sovereign wealth funds, and hedge funds globally. Our capital markets business provides these third-party clients with differentiated access to capital through our distribution platform.

Our capital markets business underwrites credit facilities and arranges loan syndications and participations. When we are sole or lead arrangers of a credit facility, we may advance amounts to the borrower on behalf of other lenders, subject to repayment. When we underwrite an offering of securities on a firm commitment basis, we commit to buy and sell an issue of securities and generate revenue by purchasing the securities at a discount or for a fee. When we act in an agency capacity or best efforts basis, we generate revenue for arranging financing or placing securities with capital markets investors. We may also provide issuers with capital markets advice on capital structuring, access to markets, marketing considerations, securities pricing, and other aspects of capital markets transactions in exchange for a fee. Our capital markets business also provides syndication services in respect of co-investments in transactions participated in by KKR funds or third-party clients, which may entitle the firm to receive syndication fees, management fees and/or a carried interest.

The capital markets business has a global footprint, with local presence and licenses to carry out certain broker-dealer activities in various countries in North America, Europe, Asia-Pacific and the Middle East. Our flagship capital markets subsidiaries include KKR Capital Markets LLC, which is an SEC-registered broker-dealer and a member of the Financial Industry Regulatory Authority ("FINRA"), and KKR Capital Markets Asia Limited, a Hong Kong licensed asset manager and broker dealer licensed by the Securities and Futures Commission in Hong Kong to carry on dealing in securities, advising on securities and asset management regulated activities.

Principal Activities

Through our Principal Activities business line, we manage the firm's own assets on our firm's balance sheet and deploy capital to support and grow our Private Equity, Real Assets, and Credit and Liquid Strategies business lines.

Typically, the funds in our Private Equity, Real Assets, and Credit and Liquid Strategies business lines contractually require us, as general partner of the funds, to make sizable capital commitments. We believe making general partner commitments assists us in raising new funds from limited partners by demonstrating our conviction in a given fund's strategy. Our commitments to fund capital also occurs where we are the holder of the subordinated notes or the equity tranche of investment vehicles that we sponsor, including structured transactions. We also use our balance sheet to bridge investment activity during fundraising, for example by funding investments for new funds and acquiring investments to establish a track record for new investment strategies. We also use our own capital to bridge capital selectively for our funds' investments or finance strategic transactions, although the financial results of an acquired business may be reported in our other business lines.

Our Principal Activities business line also provides the required capital to fund the various commitments of our Capital Markets business line when underwriting or syndicating securities, or when providing term loan commitments for transactions involving our portfolio companies and for third parties. Our Principal Activities business line also holds assets that are utilized to satisfy regulatory requirements for our Capital Markets business line and risk retention requirements for certain investment vehicles.

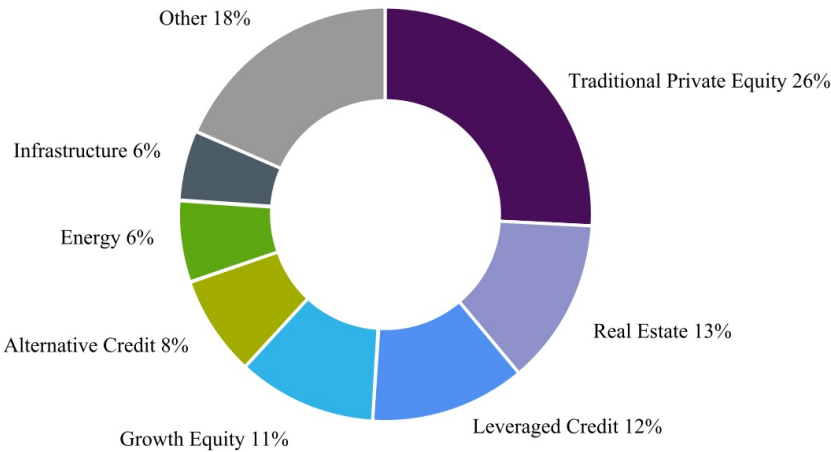
We also make opportunistic investments through our Principal Activities business line, which include co-investments alongside our Private Equity, Real Assets and Credit and Liquid Strategies funds, as well as Principal Activities investments that do not involve our Private Equity, Real Assets, or Credit and Liquid Strategies funds.

We endeavor to use our balance sheet strategically and opportunistically to generate an attractive risk-adjusted return on equity in a manner that is consistent with our fiduciary duties, in compliance with applicable laws, and consistent with our one-firm approach.

Prior to the creation of the Strategic Holdings segment, effective January 2, 2024, the periodic financial operating results of the firm's participation in the core private equity strategy were reported as part of this Principal Activities business line within the Asset Management segment. Beginning with this report, those financial operating results are not reflected in the Asset Management segment. See "Strategic Holdings" for further information regarding our participation in the core private equity strategy.

The chart below presents the holdings of our Principal Activities business line by asset class as of March 31, 2024, excluding our ownership of businesses reported through our Strategic Holdings segment.

Holdings by Asset Class ⁽¹⁾



(1) General partner commitments to our funds are included in the various asset classes shown above. Assets and revenues of other asset managers with which KKR has formed strategic partnerships where KKR does not hold more than 50% ownership interest are not included in our Principal Activities business line but are reported in the financial results of our other business lines.

Insurance

Our insurance business is operated by Global Atlantic, which operates as a separate business with its existing brands and management team. KKR acquired a majority controlling interest in Global Atlantic on February 1, 2021 and the remainder of Global Atlantic on January 2, 2024. Since the first quarter of 2021, we have presented Global Atlantic's financial results as a separate reportable segment.

Global Atlantic is a leading retirement and life insurance company that provides a broad suite of protection, legacy and savings products to customers and reinsurance solutions to clients across individual and institutional markets. Global Atlantic focuses on target markets that it believes support issuing products that have attractive risk and return characteristics. These markets allow Global Atlantic to leverage its strength in distribution and to deploy shareholder capital opportunistically across various market environments.

Global Atlantic offers individual customers fixed-rate annuities, fixed-indexed annuities, and targeted life products primarily through a network of banks, broker-dealers, and insurance agencies. Global Atlantic provides its institutional clients customized reinsurance solutions, including block, flow and pension risk transfer ("PRT") reinsurance, as well as funding agreements. Global Atlantic's assets generally increase when individual market sales and reinsurance transactions exceed run-off of in-force policies. Global Atlantic primarily generates income by earning a spread on assets under management, as the difference between its net investment income and the cost of policyholder benefits. Global Atlantic also earns fees paid by policyholders on certain types of contracts and fees paid by third-party investors, which are reported in the asset management segment. As of March 31, 2024, Global Atlantic served over three million policyholders.

Global Atlantic also sponsors co-investment vehicles (the "sponsored reinsurance sidecar vehicles") to participate alongside Global Atlantic in certain block, flow, PRT and other reinsurance transactions that Global Atlantic enters into during the vehicles' respective investment period. The sponsored reinsurance sidecar vehicles provide third-party capital to support reinsurance transactions and do not get consolidated into our financial statements. As of March 31, 2024, third parties have committed capital to the sponsored reinsurance sidecar vehicles of approximately \$3.5 billion, of which \$2.7 billion has been deployed.

The following table represents Global Atlantic's new business volumes by business and product for the three months ended March 31, 2024 and 2023:

	Three Months Ended March 31,	
	2024	2023
(\$ in millions)		
Individual channel:		
Fixed-rate annuities	\$ 2,985	\$ 2,146
Fixed-indexed annuities	1,264	1,065
Variable annuities	5	4
Total retirement products⁽¹⁾	\$ 4,254	\$ 3,215
Life insurance products	\$ —	\$ 4
Preneed life	69	75
Institutional channel:		
Block	10,162	79
Flow & pension risk transfer	2,904	2,430
Funding agreements ⁽²⁾	700	—
Total institutional market channel⁽³⁾⁽⁴⁾	\$ 13,766	\$ 2,509

- (1) New business volumes in individual markets are referred to as sales. In Global Atlantic's individual market channel, sales of annuities include all money paid into new and existing contracts. Individual market channel sales of life insurance products are based on commissionable premium and individual market channel sales for preneed life are based on the face amount of insurance. Life insurance product sales do not include the recurring premiums that policyholders may pay over time. New business volumes from individual markets channel products typically occurs throughout the year.
- (2) Funding agreements new business volumes represent funding agreements issued in connection with the funding agreement backed note ("FABN") program only.
- (3) Global Atlantic expects block reinsurance transactions to be episodic rather than steady quarter over quarter. Similarly, funding agreements issued in the FABN program are subject to capital markets conditions and not expected to be consistent quarter over quarter. Flow and pension risk transfer new business volumes typically occurs throughout the year.
- (4) New business volumes from Global Atlantic's institutional market channel are based on the assets assumed, net of any ceding commission, and is gross of any retrocessions to investment vehicles that participate in qualifying reinsurance transactions sourced by Global Atlantic and to other third party reinsurers.

The table below represents a breakdown of Global Atlantic's policy liabilities by business and product type as of March 31, 2024, separated by reserves originated through its individual and institutional markets.

Reserves as of March 31, 2024						
	Individual market	Institutional market ⁽⁴⁾	Total	Ceded	Total, net	Percentage of total
(\$ in thousands, except percentages, if applicable)						
Fixed-rate annuity ⁽¹⁾	\$ 26,821,247	\$ 32,388,346	\$ 59,209,593	\$ (9,992,394)	\$ 49,217,199	33.3 %
Fixed-indexed annuity ⁽¹⁾	25,292,677	10,307,055	35,599,732	(3,960,675)	31,639,057	20.0 %
Payout annuities ⁽¹⁾	507,327	20,708,123	21,215,450	(11,382,039)	9,833,411	11.9 %
Variable annuity	2,498,094	5,790,664	8,288,758	(2,337,271)	5,951,487	4.7 %
Interest sensitive life ⁽¹⁾	13,709,438	18,427,886	32,137,324	(8,632,782)	23,504,542	18.1 %
Other life insurance ⁽²⁾	3,527,954	4,326,395	7,854,349	(3,020,930)	4,833,419	4.4 %
Funding agreements ⁽³⁾	2,050,080	5,641,396	7,691,476	—	7,691,476	4.3 %
Closed block and other corporate products	—	1,053,753	1,053,753	(1,003,667)	50,086	0.6 %
Other ⁽⁵⁾	—	4,771,423	4,771,423	(3,624,142)	1,147,281	2.7 %
Total reserves	\$ 74,406,817	\$ 103,415,041	\$ 177,821,858	\$ (43,953,900)	\$ 133,867,958	100.0 %
Total general account	\$ 72,182,932	\$ 101,415,754	\$ 173,598,686	\$ (43,953,900)	\$ 129,644,786	97.6 %
Total separate account	2,223,885	1,999,287	4,223,172	—	4,223,172	2.4 %
Total reserves	\$ 74,406,817	\$ 103,415,041	\$ 177,821,858	\$ (43,953,900)	\$ 133,867,958	100.0 %

- (1) As of March 31, 2024, 79% of the account value in Global Atlantic's general account associated with its fixed-rate and fixed-indexed annuity products, and 39% of account value in its general account associated with universal life products was protected by surrender charges.
- (2) "Other life products" includes universal life, term and whole life insurance products.
- (3) "Funding agreements" includes funding agreements associated with FHLB borrowings and under Global Atlantic's FABN program.
- (4) Institutional market reserves are sourced using customized reinsurance solutions such as block, flow and PRT. As of March 31, 2024, reserves sourced through block, flow and PRT transactions were \$66.0 billion, \$23.1 billion and \$5.6 billion, respectively.
- (5) "Other" includes long-term care insurance where we have ceded all mortality and morbidity risk to a third-party reinsurance company.

Strategic Holdings

Starting with the first quarter of 2024, we are reporting a new third segment named Strategic Holdings. Our Strategic Holdings segment is currently comprised of the firm's ownership in the businesses we acquired through our participation in our core private equity strategy. Our core private equity strategy includes third-party capital in investment funds alongside our firm's capital. Our Asset Management segment continues to manage the investment funds that invest in our core private equity strategy, the financial results of which are not included in our Strategic Holdings segment.

Our core private equity strategy seeks to make investments in businesses that we anticipate holding for a longer period of time and that we believe have a lower anticipated risk profile than our investments in businesses through the traditional private equity strategy. For example, our core private equity strategy seeks to make investments in companies that, among other things, we believe are more stable, and typically have lower leverage over our holding period, than those companies in which our traditional private equity investments are made.

We may also acquire in the future other long-term assets that are not part of the core private equity strategy for this segment.

As of March 31, 2024, our Strategic Holdings segment consisted of our ownership stakes in 19 companies. Based on certain information made available to management as of March 31, 2024, approximately 65% of these companies are based in the Americas, 29% in Europe, and 5% in the Asia-Pacific (based on the geographic location of their headquarters). In addition, based on such information, these companies are primarily engaged in the following business sectors: approximately 33% in the Business Services sector, 29% in Consumer, 13% in Infrastructure, 13% in technology-media-telecommunications (TMT), and 13% in Healthcare.

Effective as of the first quarter of 2024, our Asset Management segment charges a quarterly management fee based on invested capital in our Strategic Holdings segment. Additionally, our Asset Management segment will charge a performance fee from the sale of our interests in the companies included in our Strategic Holdings segment. The management and performance fees are charged in order to represent the cost of providing advisory services by our Asset Management segment rather than determining the allocable costs borne by our Asset Management segment to support our Strategic Holdings segment.

Business Environment

Our asset management (including the businesses reported in our Strategic Holdings segment) and insurance businesses are affected by the various market and economic conditions of the various countries and regions in which we operate. Market and economic conditions are expected to continue to have a substantial impact on our financial condition, results of operations and our business in various ways that we are unable to control, including our ability to make new investments, the valuations of the investments we manage, the amount of investment proceeds we realize when we exit our investments, the timing for such realization activity, our ability to fundraise or to sell our various investment and insurance products and services, and the level of our capital markets activities, as discussed in the "Risk Factors" section of our Annual Report.

During the first quarter of 2024, the United States experienced economic growth amid elevated but moderating inflation. In Europe, GDP growth in the Eurozone was positive in the first quarter of 2024 for the first time in three quarters, while inflation moderated closer to the European Central Bank's 2% inflation target. In Asia, the two largest economies continued to experience different economic conditions during the first quarter of 2024. Japan's economy is expected to have experienced negative growth in the first quarter of 2024 in conjunction with inflation exceeding the Bank of Japan's inflation targets, which led the Bank of Japan to lift its base rate out of negative territory for the first time since 2013. In China, its economy grew in the first quarter of 2024 but remains subject to various headwinds, including concerns about its property sector, retail sales, and industrial output.

Several key economic indicators in the United States and in other countries and regions in which we operate include:

- **GDP.** In the United States, real gross domestic product ("GDP") is estimated to have expanded by 1.6% for the quarter ended March 31, 2024, compared to an expansion of 3.4% for the quarter ended December 31, 2023. Euro Area real GDP is estimated to have increased by 0.1% for the quarter ended March 31, 2024, up from -0.1% for the quarter ended December 31, 2023. In Japan, real GDP is estimated to have decreased by 0.2% for the quarter ended March 31, 2024, down from 0.4% growth for the quarter ended December 31, 2023. Real GDP in China increased by 1.6% for the quarter ended March 31, 2024, compared to growth of 1.2% reported for the quarter ended December 31, 2023.
- **Interest Rates.** The effective federal funds rate set by the U.S. Federal Reserve Board was 5.33% as of March 31, 2024, unchanged from December 31, 2023. The short-term benchmark interest rate set by the European Central Bank was 4.5% as of March 31, 2024, unchanged from December 31, 2023. The short-term benchmark interest rate set by the Bank of Japan was -0.1% as of March 31, 2024, unchanged from December 31, 2023. The short-term benchmark interest rate set by The People's Bank of China was 3.45% as of March 31, 2024, unchanged from December 31, 2023.
- **Inflation.** The U.S. core consumer price index rose 3.8% on a year-over-year basis as of March 31, 2024, down from 3.9% on a year-over-year basis as of December 31, 2023. Euro Area core inflation was 2.9% as of March 31, 2024, down from 3.4% as of December 31, 2023. In Japan, core inflation fell to 2.2% on a year-over-year basis as of March 31, 2024, down from 2.8% on a year-over-year basis as of December 31, 2023. Core inflation in China was 0.6% on a year-over-year basis as of March 31, 2024, unchanged from 0.6% as of December 31, 2023.
- **Unemployment.** The U.S. unemployment rate was 3.8% as of March 31, 2024, up from 3.7% as of December 31, 2023. Euro Area unemployment was 6.5% as of March 31, 2024, unchanged from 6.5% as of December 31, 2023. The unemployment rate in Japan was 2.6% as of March 31, 2024, up from 2.5% as of December 31, 2023. The unemployment rate in China was 5.1% as of March 31, 2024, down from 5.0% as of December 31, 2023.

Several key financial market indicators in the United States and in other countries and regions in which we operate include:

- **Equity Markets.** For the quarter ended March 31, 2024, the S&P 500 was up 10.6%, the MSCI Europe Index was up 8.6%, the MSCI Asia Index was up 5.1% and the MSCI World Index was up 9.0% on a total return basis including dividends. Equity market volatility as evidenced by the Chicago Board Options Exchange Market Volatility Index (VIX), a measure of volatility, ended at 13.0 as of March 31, 2024, increasing from 12.5 as of December 31, 2023.
- **Credit Markets.** During the quarter ended March 31, 2024, U.S. investment grade corporate bond spreads (BofA Merrill Lynch US Corporate Index) tightened by 10 basis points. The non-investment grade credit indices were up during the quarter ended March 31, 2024 with the S&P/LSTA Leveraged Loan Index up 2.5% and the BofAML HY Master II Index up 1.5%. During the quarter ended March 31, 2024, the 10-year government bond yields rose 32 basis points in the United States, rose 27 basis points in Germany, rose 11 basis points in Japan, rose 40 basis points in the UK and fell 27 basis points in China.

- **Commodity Markets.** During the quarter ended March 31, 2024, the 3-year forward price of WTI crude oil increased approximately 5.7%, and the 3-year forward price of natural gas decreased from approximately \$4.44 per MMBtu to \$3.82 per MMBtu as of December 31, 2023 and March 31, 2024. The Japan spot LNG import price decreased to approximately \$9.45 per MMBtu as of March 31, 2024 from approximately \$16.92 per MMBtu as of December 31, 2023.
- **Foreign Exchange Rates.** For the quarter ended March 31, 2024, the euro fell 2.3%, the British pound fell 0.8%, the Japanese yen fell 6.8%, and the Chinese renminbi fell 1.7%, respectively, relative to the U.S. dollar.

Other Trends, Uncertainties and Risks Related to Our Business

Please refer to the "Risk Factors" section of our Annual Report for important additional detail regarding risks, uncertainties and other conditions that could have a material favorable or unfavorable impact on our businesses, including the impact of market and economic conditions on valuations of investments. These risks, uncertainties and other conditions should be read in conjunction with this Business Environment section and the entire Risk Factor section of our Annual Report. In particular, see "Risks Related to Our Investment Activities—Our valuation methodologies for certain assets can be subjective, and the fair value of assets established pursuant to such subjective methodologies is uncertain and may never be realized" and "Risks Related to Our Investment Activities—Various market and economic conditions and events outside of our control that are difficult to quantify or predict may have a significant impact on the valuation of our investments and, therefore, on our financial results."

Basis of Accounting and Key Financial Measures under GAAP

We manage our business using certain financial measures and key operating metrics since we believe these metrics measure the productivity of our operating activities. We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). See Note 2 "Summary of Significant Accounting Policies" in our financial statements and "Critical Accounting Policies and Estimates" contained in this section below. Our key Segment and non-GAAP financial measures and operating metrics are discussed below.

Key Segment and Non-GAAP Performance Measures

The following key segment and non-GAAP performance measures are used by management in making operational and resource deployment decisions as well as assessing the performance of KKR's business. They include certain financial measures that are calculated and presented using methodologies other than in accordance with GAAP. These performance measures as described below are presented prior to giving effect to the allocation of income (loss) between KKR & Co. Inc. and holders of exchangeable securities and as such represent the entire KKR business in total. In addition, these performance measures are presented without giving effect to the consolidation of certain investment funds and collateralized financing entities ("CFEs") that KKR manages.

We believe that providing these segment and non-GAAP performance measures on a supplemental basis to our GAAP results is helpful to stockholders in assessing the overall performance of KKR's business. These non-GAAP measures should not be considered as a substitute for financial measures calculated in accordance with GAAP. Reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP, where applicable are included under "Segment Balance Sheet Measures—Reconciliations to GAAP Measures."

Modification of Segment Information and Non-GAAP Measures

In connection with building and scaling of the core private equity strategy on KKR's balance sheet and the acquisition of all of the remaining equity interests in Global Atlantic on January 2, 2024, KKR reevaluated the manner in which it makes operational and resource deployment decisions and assesses the overall performance of KKR's business. Effective with the first quarter of 2024, the items detailed below have changed with respect to the preparation of the reports used by KKR's chief operating decision makers. As a result, KKR has modified the presentation of its segment financial information with retrospective application to all prior periods presented.

The most significant changes between KKR's current segment presentation and its previous segment presentation reported prior to the first quarter of 2024, are as follows:

- **Creating a new business segment, Strategic Holdings** - The new segment is currently comprised of KKR's participation in its core private equity strategy. Our participation in our core private equity has scaled into a business KKR now evaluates separately from its Asset Management segment. Additionally, KKR may also acquire other long-term assets that are not part of the core private equity strategy for this segment. As of the first quarter of 2024, KKR's participation in its core private equity strategy will no longer be reported as part of the Asset Management segment. The Asset Management segment continues to represent KKR's business separate from its insurance operations and continues to reflect how the chief operating decision makers allocate resources and assess performance in the asset management business, which includes operating collaboratively across its business lines, with predominantly a single expense pool. Effective as of the first quarter of 2024, the results of our Strategic Holdings segment will include a management fee and performance fee that is paid to our Asset Management segment for providing advisory services rather than allocating the costs borne by our Asset Management segment to support our Strategic Holdings segment. The historical amounts presented herein do not include any management or performance fees that will be charged since the governing agreement was not in place prior to the first quarter of 2024.
- **Segment Earnings** - Segment Earnings is the performance measure for KKR's segment profitability and is used by management in making operational decisions and to assess performance.

Adjusted Net Income

Adjusted Net Income ("ANI") is a performance measure of KKR's earnings, which is derived from KKR's reported segment results. ANI is used to assess the performance of KKR's business operations and measures the earnings potentially available for distribution to its equity holders or reinvestment into its business. ANI is equal to Total Segment Earnings less Interest Expense, Net and Other and Income Taxes on Adjusted Earnings. Interest Expense, Net and Other includes interest expense on debt obligations not attributable to any particular segment net of interest income earned on cash and short-term investments. Income Taxes on Adjusted Earnings represents the (i) amount of income taxes that would be paid assuming that all pre-tax Asset Management and Strategic Holdings segment earnings were allocated to KKR & Co. Inc. and taxed at the same effective rate, which assumes that all securities exchangeable into shares of common stock of KKR & Co. Inc. were exchanged and (ii) amount of income taxes on Insurance Operating Earnings. Income taxes on Insurance Operating Earnings represent the total current and deferred tax expense or benefit on income before taxes adjusted to eliminate the impact of the tax expense or benefit associated with the non-operating adjustments. Equity based compensation expense is excluded from ANI, because (i) KKR believes that the cost of equity awards granted to employees does not contribute to the earnings potentially available for distributions to its equity holders or reinvestment into its business and (ii) excluding this expense makes KKR's reporting metric more comparable to the corresponding metric presented by other publicly traded companies in KKR's industry, which KKR believes enhances an investor's ability to compare KKR's performance to these other companies. Income Taxes on Adjusted Earnings includes the benefit of tax deductions arising from equity-based compensation, which reduces Income Taxes on Adjusted Earnings during the period. If tax deductions from equity-based compensation were to be excluded from Income Taxes on Adjusted Earnings, KKR's ANI would be lower and KKR's effective tax rate would appear to be higher, even though a lower amount of income taxes would have actually been paid or payable during the period. KKR separately discloses the amount of tax deduction from equity-based compensation for the period reported and the effect of its inclusion in ANI for the period. KKR makes these adjustments when calculating ANI in order to more accurately reflect the net realized earnings that are expected to be or become available for distribution to KKR's equity holders or reinvestment into KKR's business. However, ANI does not represent and is not used to calculate actual dividends under KKR's dividend policy, which is a fixed amount per period, and ANI should not be viewed as a measure of KKR's liquidity.

Total Segment Earnings

Total Segment Earnings is a performance measure that KKR believes is useful to stockholders as it provides a supplemental measure of our operating performance without taking into account items that KKR does not believe arise from or relate directly to KKR's operations. Total Segment Earnings excludes: (i) equity-based compensation charges, (ii) amortization of acquired intangibles, (iii) strategic corporate related charges, and (iv) non-recurring items, if any. Strategic corporate related charges arise from corporate actions and consist primarily of (i) impairments, (ii) transaction costs from strategic acquisitions, and (iii) depreciation on real estate that KKR owns and occupies. Inter-segment transactions are not eliminated from segment results when management considers those transactions in assessing the results of the respective segments. These transactions include (i) management fees earned by our Asset Management segment as the investment adviser for Global Atlantic insurance companies, (ii) management and performance fees earned by our Asset Management segment for acquiring and managing the companies included in our Strategic Holdings segment, and (iii) interest income and expense based on lending arrangements where our Asset Management segment borrows from our Insurance segment. All these inter-segment transactions are recorded by each segment based on the applicable governing agreements. Total Segment Earnings represents the total segment earnings of KKR's Asset Management, Insurance and Strategic Holdings segments.

Asset Management Segment Earnings

Asset management segment earnings is the segment profitability measure used to make operating decisions and to assess the performance of the Asset Management segment. This measure is presented before income taxes and is comprised of: (i) Fee Related Earnings, (ii) Realized Performance Income, (iii) Realized Performance Income Compensation, (iv) Realized Investment Income, and (v) Realized Investment Income Compensation. The non-operating adjustments made to derive Asset Management Segment Earnings excludes the impact of: (i) unrealized gains (losses) on investments, (ii) unrealized carried interest, and (iii) unrealized carried interest compensation. Management fees earned by KKR as the adviser, manager or sponsor for its investment funds, vehicles and accounts, including its Global Atlantic insurance companies and Strategic Holdings segment, are included in Asset Management Segment Earnings.

Insurance Operating Earnings

Insurance Operating Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the Insurance segment. This measure is presented before income taxes and is comprised of: (i) Net Investment Income, (ii) Net Cost of Insurance, and (iii) General, Administrative, and Other Expenses. The non-operating adjustments made to derive Insurance Operating Earnings excludes the impact of: (i) investment gains (losses) which include realized gains (losses) related to asset/liability matching investment strategies and unrealized investment gains (losses) and (ii) non-operating changes in policy liabilities and derivatives which includes (a) changes in the fair value of market risk benefits and other policy liabilities measured at fair value and related benefit payments, (b) fees attributed to guaranteed benefits, (c) derivatives used to manage the risks associated with policy liabilities, and (d) losses at contract issuance on payout annuities. Insurance Operating Earnings includes (i) realized gains and losses not related to asset/liability matching investment strategies and (ii) the investment management costs that are earned by our Asset Management segment as the investment adviser of the Global Atlantic insurance companies.

Strategic Holdings Segment Earnings

Strategic Holdings Segment Earnings is the segment profitability measure used to make operating decisions and to assess the performance of the Strategic Holdings segment. This measure is presented before income taxes and is comprised of: Dividends, Net and Net Realized Investment Income. The non-operating adjustment made to derive Strategic Holdings Segment Earnings excludes the impact of unrealized gains (losses) on investments. Strategic Holdings Segment Earnings includes management fees and performance fee expenses that are earned by the Asset Management segment.

Fee Related Earnings

Fee related earnings is a performance measure used to assess the Asset Management segment's generation of earnings from revenues that are measured and received on a more recurring basis as compared to KKR's investing earnings. KKR believes this measure is useful to stockholders as it provides additional insight into the profitability of our fee generating asset management and capital markets businesses. FRE equals (i) Management Fees, including fees paid by the Insurance and Strategic Holdings segments to the Asset Management segment and fees paid by certain insurance co-investment vehicles, (ii) Transaction and Monitoring Fees, Net and (iii) Fee Related Performance Revenues, less (x) Fee Related Compensation, and (y) Other Operating Expenses.

Fee Related Performance Revenues refers to the realized portion of performance fees from certain AUM that has an indefinite term and for which there is no immediate requirement to return invested capital to investors upon the realization of investments. Fee related performance revenues consists of performance fees (i) expected to be received from our investment funds, vehicles and accounts on a recurring basis, and (ii) that are not dependent on a realization event involving investments held by the investment fund, vehicle or account.

Fee Related Compensation refers to the compensation expense, excluding equity-based compensation, paid from (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, and (iii) Fee Related Performance Revenues.

Other Operating Expenses represents the sum of (i) occupancy and related charges and (ii) other operating expenses.

Strategic Holdings Operating Earnings

Strategic Holdings Operating Earnings is a performance measure used to assess the firm's earnings from companies and businesses reported through its Strategic Holdings segment. Strategic Holdings Operating Earnings currently consists of earnings derived from dividends that the firm receives from businesses acquired through the firm's participation in our core private equity strategy. Strategic Holdings Operating Earnings currently equals dividends less management fees that are earned by our Asset Management segment. This measure is used by management to assess the Strategic Holdings segment's generation of earnings from revenues that are measured and received on a more recurring basis than, and are not dependent on, realizations from investment activities.

Total Operating Earnings

Total Operating Earnings is a performance measure that represents the sum of (i) FRE, (ii) Insurance Operating Earnings, and (iii) Strategic Holdings Operating Earnings. KKR believes this measure is useful to stockholders as it provides additional insight into the profitability of the most recurring forms of earnings from each of KKR's segments as compared to investing earnings.

Total Investing Earnings

Total Investing Earnings is a performance measure that represents the sum of (i) Net Realized Performance Income and (ii) Net Realized Investment Income. KKR believes this measure is useful to stockholders as it provides additional insight into the earnings of KKR's segments from the realization of investments.

Total Asset Management Segment Revenues

Total Asset Management Segment Revenues is a performance measure that represents the realized revenues of the Asset Management segment (which excludes unrealized carried interest and unrealized gains (losses) on investments) and is the sum of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, and (v) Realized Investment Income. Asset Management Segment Revenues excludes Realized Investment Income earned based on the performance of businesses presented in the Strategic Holdings segment. KKR believes that this performance measure is useful to stockholders as it provides additional insight into all forms of realized revenues generated by our Asset Management segment.

Other Terms and Capital Metrics

Adjusted Shares

Adjusted shares represents shares of common stock of KKR & Co. Inc. outstanding under GAAP adjusted to include certain securities exchangeable into shares of common stock of KKR & Co. Inc. and excludes equity unvested shares granted in connection with the equity incentive awards.

Assets Under Management

Assets under management represent the assets managed (including core private equity), advised or sponsored by KKR from which KKR is entitled to receive management fees or performance income (currently or upon a future event), general partner capital, and assets managed, advised or sponsored by our strategic BDC partnership and the hedge fund and other managers in which KKR holds an ownership interest. We believe this measure is useful to stockholders as it provides additional insight into the capital raising activities of KKR and its hedge fund and other managers and the overall activity in their investment funds and other managed or sponsored capital. KKR calculates the amount of AUM as of any date as the sum of: (i) the fair value of the investments of KKR's investment funds and certain co-investment vehicles; (ii) uncalled capital commitments from these funds, including uncalled capital commitments from which KKR is currently not earning management fees or performance income; (iii) the asset value of the Global Atlantic insurance companies; (iv) the par value of outstanding CLOs; (v) KKR's pro rata portion of the AUM of hedge fund and other managers in which KKR holds an ownership interest; (vi) all of the AUM of KKR's strategic BDC partnership; (vii) the acquisition cost of invested assets of certain non-US real estate investment trusts and (viii) the value of other assets managed or sponsored by KKR. The pro rata portion of the AUM of hedge fund and other managers is calculated based on KKR's percentage ownership interest in such entities multiplied by such entity's respective AUM. KKR's definition of AUM (i) is not based on any definition of AUM that may be set forth in the governing documents of the investment funds, vehicles, accounts or other entities whose capital is included in this definition, (ii) includes assets for which KKR does not act as an investment adviser, and (iii) is not calculated pursuant to any regulatory definitions.

Capital Invested

Capital invested is the aggregate amount of capital invested by (i) KKR's investment funds (including core private equity) and Global Atlantic insurance companies, (ii) KKR's Principal Activities business line as a co-investment, if any, alongside KKR's investment funds, and (iii) KKR's Principal Activities business line in connection with a syndication transaction conducted by KKR's Capital Markets business line, if any. Capital invested is used as a measure of investment activity at KKR during a given period. We believe this measure is useful to stockholders as it provides a measure of capital deployment across KKR's business lines. Capital invested includes investments made using investment financing arrangements like credit facilities, as applicable. Capital invested excludes (i) investments in certain leveraged credit strategies, (ii) capital invested by KKR's Principal Activities business line that is not a co-investment alongside KKR's investment funds, and (iii) capital invested by KKR's Principal Activities business line that is not invested in connection with a syndication transaction by KKR's Capital Markets business line. Capital syndicated by KKR's Capital Markets business line to third parties other than KKR's investment funds or Principal Activities business line is not included in capital invested.

Fee Paying AUM

Fee paying AUM represents only the AUM from which KKR is entitled to receive management fees. We believe this measure is useful to stockholders as it provides additional insight into the capital base upon which KKR earns management fees. FPAUM is the sum of all of the individual fee bases that are used to calculate KKR's and its hedge fund and BDC partnership management fees and differs from AUM in the following respects: (i) assets and commitments from which KKR is not entitled to receive a management fee are excluded (e.g., assets and commitments with respect to which it is entitled to receive only performance income or is otherwise not currently entitled to receive a management fee) and (ii) certain assets, primarily in its private equity funds, are reflected based on capital commitments and invested capital as opposed to fair value because fees are not impacted by changes in the fair value of underlying investments.

Uncalled Commitments

Uncalled commitments is the aggregate amount of unfunded capital commitments that KKR's investment funds and carry-paying co-investment vehicles (including core private equity) have received from partners to contribute capital to fund future investments, and the amount of uncalled commitments is not reduced by capital invested using borrowings under an investment fund's subscription facility until capital is called from our fund investors. We believe this measure is useful to stockholders as it provides additional insight into the amount of capital that is available to KKR's investment funds and carry paying co-investment vehicles to make future investments. Uncalled commitments are not reduced for investments completed using fund-level investment financing arrangements or investments we have committed to make but remain unfunded at the reporting date.

Condensed Consolidated Results of Operations (GAAP Basis - Unaudited)

The following is a discussion of our consolidated results of operations on a GAAP basis for the three months ended March 31, 2024 and 2023. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report. For a more detailed discussion of the factors that affected our segment results in these periods, see "—Analysis of Segment Operating Results." See "Risk Factors" in our Annual Report and "—Business Environment" for more information about factors that may impact our business, financial performance, operating results and valuations.

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Revenues			
Asset Management and Strategic Holdings			
Fees and Other	\$ 693,526	\$ 677,016	\$ 16,510
Capital Allocation-Based Income (Loss)	1,262,942	449,018	813,924
	1,956,468	1,126,034	830,434
Insurance			
Net Premiums	6,036,522	473,624	5,562,898
Policy Fees	328,947	313,802	15,145
Net Investment Income	1,519,902	1,300,697	219,205
Net Investment-Related Gains (Losses)	(241,486)	(123,833)	(117,653)
Other Income	56,385	37,158	19,227
	7,700,270	2,001,448	5,698,822
Total Revenues	9,656,738	3,127,482	6,529,256
Expenses			
Asset Management and Strategic Holdings			
Compensation and Benefits	1,316,448	575,670	740,778
Occupancy and Related Charges	23,540	22,149	1,391
General, Administrative and Other	277,981	213,689	64,292
	1,617,969	811,508	806,461
Insurance			
Net Policy Benefits and Claims (including market risk benefit loss (gain) of \$(101,760) and \$146,309, respectively.)	7,261,069	1,527,054	5,734,015
Amortization of Policy Acquisition Costs	(3,752)	44,211	(47,963)
Interest Expense	54,567	40,261	14,306
Insurance Expenses	199,236	225,318	(26,082)
General, Administrative and Other	183,855	211,731	(27,876)
	7,694,975	2,048,575	5,646,400
Total Expenses	9,312,944	2,860,083	6,452,861
Investment Income (Loss) - Asset Management and Strategic Holdings			
Net Gains (Losses) from Investment Activities	638,162	(159,409)	797,571
Dividend Income	245,057	148,167	96,890
Interest Income	890,102	728,616	161,486
Interest Expense	(754,064)	(576,338)	(177,726)
Total Investment Income (Loss)	1,019,257	141,036	878,221
Income (Loss) Before Taxes	1,363,051	408,435	954,616
Income Tax Expense (Benefit)	269,201	148,747	120,454

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Net Income (Loss)	1,093,850	259,688	834,162
Net Income (Loss) Attributable to Redeemable Noncontrolling Interests	32,678	(7,303)	39,981
Net Income (Loss) Attributable to Noncontrolling Interests	378,958	(73,003)	451,961
Net Income (Loss) Attributable to KKR & Co. Inc.	682,214	339,994	342,220
Series C Mandatory Convertible Preferred Stock Dividends	—	17,250	(17,250)
Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders	\$ 682,214	\$ 322,744	\$ 359,470

Condensed Consolidated Results of Operations (GAAP Basis - Unaudited) - Asset Management and Strategic Holdings

Revenues

For the three months ended March 31, 2024 and 2023, revenues consisted of the following:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Management Fees	\$ 486,754	\$ 453,093	\$ 33,661
Fee Credits	(94,046)	(57,531)	(36,515)
Transaction Fees	218,618	209,839	8,779
Monitoring Fees	48,967	29,853	19,114
Incentive Fees	6,626	6,413	213
Expense Reimbursements	8,093	15,544	(7,451)
Consulting Fees	18,514	19,805	(1,291)
Total Fees and Other	693,526	677,016	16,510
Carried Interest	1,144,928	343,070	801,858
General Partner Capital Interest	118,014	105,948	12,066
Total Capital Allocation-Based Income (Loss)	1,262,942	449,018	813,924
Total Revenues	\$ 1,956,468	\$ 1,126,034	\$ 830,434

Fees and Other

Total Fees and Other for the three months ended March 31, 2024 increased compared to the three months ended March 31, 2023 primarily as a result of the increase in management fees and monitoring fees, partially offset by an increase in fee credits.

For a more detailed discussion of the factors that affected our transaction fees during the period, see "—Analysis of Asset Management Segment Operating Results."

The increase in management fees was primarily attributable to (i) management fees earned on new capital raised over the past twelve months at Ascendant Fund (a middle market focused traditional private equity strategy), at various vehicles designed for investment by individual private wealth investors, which we refer to as the "K-Series," and our Diversified Core Infrastructure fund. The increase was partially offset by a lower level of management fees from Americas Fund XII due to a step-down in the management fee rate in 2023 and a decrease in invested capital.

Management fees due from consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are funded by, and earned from, noncontrolling interests, upon consolidation under GAAP, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is increased by the amount of fees that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated. For a more detailed discussion on the factors that affect our management fees during the period, see "—Analysis of Asset Management Segment Operating Results."

Fee credits increased compared to the prior period as a result of (i) a higher level of transaction fees in our Real Assets and Credit and Liquid Strategies business lines in the current period and (ii) a higher level of monitoring fees primarily due to a termination payment received in connection with the initial public offering of BrightSpring Health Services (NASDAQ: BTSG) in our Americas Fund XII during the current period. These termination payments may occur in the future; however, they are infrequent in nature and are generally correlated with the initial public offering and other realization activity in our private equity portfolio, and are expected to continue to be smaller in size and number compared to this period. Fee credits owed to consolidated investment funds and other vehicles are eliminated upon consolidation under GAAP. However, because these amounts are owed to noncontrolling interests, upon consolidation under GAAP, KKR's allocated share of the net income from the consolidated investment funds and other vehicles is decreased by the amount of fee credits that are eliminated. Accordingly, net income (loss) attributable to KKR would be unchanged if such investment funds and other vehicles were not consolidated. Transaction and monitoring fees earned from our portfolio companies are not eliminated upon consolidation because those fees are earned from companies which are not consolidated. Furthermore, transaction fees earned in our capital markets business are not shared with fund investors. Accordingly, certain transaction fees are reflected in our revenues without a corresponding fee credit.

Capital Allocation-Based Income (Loss)

Capital Allocation-Based Income (Loss) for the three months ended March 31, 2024 was positive primarily due to the net appreciation of the underlying investments at many of our unconsolidated carry earning investment funds, most notably Asian Fund III, Americas Fund XII, and Global Infrastructure Investors IV. Capital Allocation-Based Income (Loss) for the three months ended March 31, 2023 was positive primarily due to the net appreciation of the underlying investments at many of our unconsolidated carry earning investment funds, most notably Americas Fund XII, Global Infrastructure Investors III, and Asian Pacific Infrastructure Investors.

KKR calculates the carried interest that would be due to KKR for each investment fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of the reporting date, irrespective of whether such amounts have been realized. Since the fair value of the underlying investments varies between reporting periods, it is necessary to make adjustments to the amounts recorded as carried interest to reflect either (a) positive performance, resulting in an increase in the carried interest allocated to the general partner or (b) negative performance that would cause the amount due to KKR to be less than the amount previously recognized, resulting in a negative adjustment to carried interest allocated to the general partner. In each case, it is necessary to calculate the carried interest on cumulative results compared to the carried interest recorded to date and to make the required positive or negative adjustments.

Investment Income (Loss)

Net Gains (Losses) from Investment Activities for the three months ended March 31, 2024

The net gains from investment activities for the three months ended March 31, 2024 were comprised of net realized losses of \$(190.9) million and net unrealized gains of \$829.1 million.

Investment gains and losses relating to our general partner capital interest in our unconsolidated funds are not reflected in our discussion and analysis of Net Gains (Losses) from Investment Activities. Our economics associated with these gains and losses are reflected in Capital Allocation-Based Income (Loss) as described above.

Realized Gains and Losses from Investment Activities

For the three months ended March 31, 2024, net realized losses related primarily to the (i) realized losses on the sale of Telepizza SAU (consumer products sector) and (ii) realized losses from the distribution of certain assets to third-party fund investors in certain of our consolidated energy funds. Partially offsetting these realized losses were realized gains at certain consolidated leveraged credit funds and realized gains on certain foreign exchange forward contracts.

Unrealized Gains and Losses from Investment Activities

For the three months ended March 31, 2024, net unrealized gains were driven by (i) mark-to-market gains primarily relating to Söderberg & Partners (financial services sector), 1-800 Contacts, Inc. (health care sector) and foreign exchange forward contracts, and (ii) the reversal of previously recognized unrealized losses relating to the realization activity described above. These unrealized gains were partially offset by mark-to-market losses primarily relating to BridgeBio Pharma, Inc. (NASDAQ: BBIO), Accell Group N.V. (consumer products sector), and certain real estate and credit consolidated funds.

The factors that affect each investment strategy vary depending on the nature of the asset class and the valuation methodology employed. For the three months ended March 31, 2024, net unrealized gains were primarily generated in the following asset classes:

- Traditional private equity and core private equity, which were primarily impacted by (i) the positive returns of global equity markets and the related increase of market multiples used in the market comparables methodology for the valuation of Level III investments, and (ii) overall positive operating performance of its portfolio companies;
- Credit, which were primarily impacted by the tightening of the credit spreads during the quarter; and
- Infrastructure, which primarily benefited from the positive operating performance of certain infrastructure assets and, to a lesser extent, by the positive returns of global equity markets and the related increase of market multiples used in the market comparables methodology for the valuation of Level III investments.

Partially offsetting the gains in the asset classes above, were unrealized losses generated in real estate investments, which, notwithstanding the positive operating performance at certain properties. See "Risk Factors" in our Annual Report and "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuation.

Net Gains (Losses) from Investment Activities for the three months ended March 31, 2023

The net losses from investment activities for the three months ended March 31, 2023 were comprised of net realized gains of \$99.4 million and net unrealized losses of \$(258.8) million.

Realized Gains and Losses from Investment Activities

For the three months ended March 31, 2023, net realized gains related primarily to the sale of our investment in KnowBe4, Inc. (NASDAQ: KNBE), Flutter Entertainment PLC (LON: FLTR), and US Foods Holding Corp. (NYSE: USFD). Partially offsetting these realized gains were realized losses primarily relating to a realized loss on our alternative credit investment, Chembulk Group (transportation sector) as well as realized losses on certain foreign exchange forward contracts and losses from the sales of revolving credit facilities.

Unrealized Gains and Losses from Investment Activities

For the three months ended March 31, 2023, net unrealized losses were driven by mark-to-market losses primarily relating to (i) certain investments held by our consolidated real estate and energy funds, (ii) GenesisCare Pty Ltd. (health care sector) and Heartland Dental, LLC (health care sector), each of which are held in our consolidated core private equity funds, and (iii) debt obligations of our consolidated CLOs. These unrealized losses were partially offset by mark-to-market gains primarily relating to (i) BridgeBio Pharma, Inc., (ii) Viridor Limited (infrastructure: energy and energy transition sector) and FiberCop S.p.A (infrastructure: telecommunications infrastructure sector) held in our consolidated core private equity funds and (iii) certain investments held in our consolidated CLOs.

For a discussion of other factors that affected KKR's realized investment income, see "—Analysis of Asset Management Segment Operating Results." For additional information about net gains (losses) from investment activities, see Note 4 "Net Gains (Losses) from Investment Activities - Asset Management and Strategic Holdings" in our financial statements.

Dividend Income

During the three months ended March 31, 2024, dividend income was primarily from (i) our investments in Exact Holding B.V. (technology sector) and FiberCop S.p.A. held through our consolidated core vehicles and (ii) certain of our consolidated real estate funds. During the three months ended March 31, 2023, dividend income was primarily from (i) certain investments held in our consolidated open-ended core infrastructure fund, Diversified Core Infrastructure Fund, (ii) certain investments held in our consolidated real estate equity and credit funds and (iii) certain investments held in our consolidated funds by our credit platform's SIG group.

Significant dividends from portfolio companies and consolidated funds are generally not recurring quarterly dividends, and while they may occur in the future, their size and frequency are variable. For a discussion of other factors that affected KKR's dividend income, see "—Analysis of Asset Management Segment Operating Results."

Interest Income

The increase in interest income during the three months ended March 31, 2024 compared to the three months ended March 31, 2023 was primarily due to (i) the impact of closing CLOs that are consolidated subsequent to March 31, 2023, (ii) higher interest rates on floating rate investments held in consolidated CLOs and our consolidated private credit funds, and (iii) a higher level of interest income from certain of our consolidated private credit funds, related primarily to an increase in the amount of capital deployed. For a discussion of other factors that affected KKR's interest income, see "—Analysis of Asset Management Segment Operating Results."

Interest Expense

The increase in interest expense during the three months ended March 31, 2024 compared to the three months ended March 31, 2023 was primarily due to (i) the impact of closing CLOs that are consolidated subsequent to March 31, 2023, (ii) an increase in the amount of borrowings outstanding from certain consolidated funds and other vehicles, and (iii) higher interest rates on floating rate debt obligations held in consolidated CLOs. For a discussion of other factors that affected KKR's interest expense, see "—Key Segment and Non-GAAP Performance Measures."

Expenses - Asset Management

Compensation and Benefits Expense

The increase in compensation and benefits expense during the three months ended March 31, 2024 compared to the three months ended March 31, 2023 was primarily due to a higher level of accrued carried interest compensation resulting from (i) a higher level of carried interest from the appreciation in the value of our investment portfolio and (ii) the increase to the carry pool percentage in the current period.

General, Administrative and Other

The increase in general, administrative and other expenses during the three months ended March 31, 2024 compared to the three months ended March 31, 2023 was primarily due to (i) a provision for legal reserve in the current period and (ii) a higher level of expenses from our consolidated investment funds and CLOs due to the impact of consolidating certain new funds and CLOs subsequent to March 31, 2023. The increase was partially offset by a lower level of placement fees.

In periods of increased fundraising and to the extent that we use third parties to assist in our capital raising efforts, our General, Administrative and Other expenses are expected to increase accordingly.

Condensed Consolidated Results of Operations (GAAP Basis - Unaudited) - Insurance

Revenues

For the three months ended March 31, 2024 and 2023, revenues consisted of the following:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Net Premiums	\$ 6,036,522	\$ 473,624	\$ 5,562,898
Policy Fees	328,947	313,802	15,145
Net Investment Income	1,519,902	1,300,697	219,205
Net Investment-Related Losses	(241,486)	(123,833)	(117,653)
Other Income	56,385	37,158	19,227
Total Insurance Revenues	\$ 7,700,270	\$ 2,001,448	\$ 5,698,822

Net Premiums

Net premiums increased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to an increase in initial premiums assumed from reinsurance transactions with life contingencies or morbidity risk during the three months ended March 31, 2024 as compared to the three months ended March 31, 2023. The increase was partially offset by higher retrocessions to third party reinsurers during the three months ended March 31, 2024 as compared to the three months ended March 31, 2023. The initial premiums on assumed reinsurance were offset by a comparable increase in policy reserves reported within net policy benefits and claims (as discussed below under "Expenses—Net policy benefits and claims").

Net investment income

Net investment income increased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to (i) increased average assets under management due to growth in assets in Global Atlantic's institutional market channel as a result of new reinsurance transactions and individual market channel sales and (ii) growth in portfolio yields due to higher market interest rates. The growth in portfolio yields during the three months ended March 31, 2024, was offset in part due to holding higher levels of lower yielding assets, such as cash and corporate fixed maturity securities acquired as part of recent reinsurance transactions, pending deployment into higher yielding asset classes.

Net investment-related (losses) gains

The components of net investment-related losses were as follows:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Funds withheld payable embedded derivatives	\$ 95,441	\$ (430,235)	\$ 525,676
Equity future contracts	(63,516)	(40,825)	(22,691)
Foreign exchange and other derivative contracts	35,905	719	35,186
Equity index options	257,103	83,887	173,216
Interest rate contracts	(249,295)	68,996	(318,291)
Funds withheld receivable embedded derivatives	25,330	(30,767)	56,097
Net gains on derivative instruments	100,968	(348,225)	449,193
Net other investment (losses) gains	(342,454)	224,392	(566,846)
Net investment-related losses	\$ (241,486)	\$ (123,833)	\$ (117,653)

Net gains on derivative instruments

The increase in the fair value of embedded derivatives on funds withheld at interest payable for the three months ended March 31, 2024 was primarily driven by the change in fair value of the underlying investments in the funds withheld at interest payable portfolio, which is primarily comprised of fixed maturity securities (designated as trading for accounting purposes), mortgage and other loan receivables, and other investments. The underlying investments in the funds withheld at interest payable portfolio decreased in value during the three months ended March 31, 2024, and increased during the three months ended March 31, 2023 due to an increase in market interest rates for the three months ended March 31, 2024 compared to a decrease in the three months ended March 31, 2023.

The increase in the fair value of equity index options was primarily driven by the performance of the indexes upon which these options are based. Global Atlantic purchases equity index options to hedge the market risk of embedded derivatives in indexed universal life and fixed-indexed annuity products (the change in which is accounted for in net policy benefits and claims). The majority of Global Atlantic's equity index options are based on the S&P 500 Index, which had a larger increase during the three months ended March 31, 2024 as compared to the three months ended March 31, 2023.

The increase in the fair value of embedded derivatives on funds withheld at interest receivable was primarily due to narrowing of credit spreads during the three months ended March 31, 2024, as compared to a widening of credit spreads during the three months ended March 31, 2023.

The decrease in the fair value of interest rate was primarily driven by an increase in market interest rates during the three months ended March 31, 2024 and a decrease in the three months ended March 31, 2023, resulting in respectively, a loss, and a gain, on interest rate contracts in the respective periods.

The decrease in the fair value of equity futures contracts was driven primarily by the performance of equity markets. Global Atlantic purchases equity futures primarily to hedge the market risk in Global Atlantic's variable annuity products which are accounted for in net policy benefits and claims. The majority of Global Atlantic's equity futures are based on the S&P 500 Index, which increased during both the three months ended March 31, 2024 and three months ended March 31, 2023, resulting in a loss on equity futures contracts in both periods.

Net other investment (losses) gains

The components of net other investment (losses) gains were as follows:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Realized (losses) gains on available-for-sale fixed maturity debt securities	\$ (28,157)	\$ 3,432	\$ (31,589)
Credit loss allowances	(102,113)	(148,429)	46,316
Impairment of available-for-sale fixed maturity debt securities due to intent to sell	—	(26,741)	26,741
Unrealized (losses) gains on fixed maturity securities classified as trading	(99,579)	376,290	(475,869)
Unrealized losses on investments accounted under a fair-value option	(42,207)	(55,773)	13,566
Unrealized (losses) gains on real estate investments recognized at fair value under investment company accounting	(78,011)	63,192	(141,203)
Realized gains on funds withheld payable at interest portfolio	24,287	3,980	20,307
Realized (losses) gains on funds withheld receivable at interest portfolio	(2,286)	17,733	(20,019)
Other	(14,388)	(9,292)	(5,096)
Net other investment (losses) gains	\$ (342,454)	\$ 224,392	\$ (566,846)

The increase in net other investment losses for the three months ended March 31, 2024 as compared to net other investment gains for the three months ended March 31, 2023, were primarily due to (i) an increase in unrealized losses on fixed maturity securities classified as trading primarily as a result of an increase in market interest rates during the three months ended March 31, 2024 as compared to a decrease in market interest rates during the three months ended March 31, 2023, and (ii) an increase in unrealized losses on real estate investments at fair-value under investment company accounting due to higher discount rates and capitalization rates during the three months ended March 31, 2024.

Offsetting these increases in net other investment losses were (i) a decrease in credit loss allowances, and (ii) a decrease in intent-to-sell impairments on available-for-sale fixed maturity securities.

Expenses

Net policy benefits and claims

Net policy benefits and claims increased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to (i) an increase in the value of embedded derivatives in Global Atlantic's fixed indexed annuity products, as a result of higher equity market returns (as discussed above under "Condensed Consolidated Results of Operations (GAAP Basis - Unaudited)—Insurance—Revenues—Net investment-related (losses) gains," Global Atlantic purchases equity index options in order to hedge this risk, the fair value changes of which are accounted for in gains on derivative instruments, and generally offsetting the change in embedded derivative fair value reported in net policy benefits and claims), (ii) an increase in net flows from both individual and institutional market channel sales, (iii) higher initial reserves assumed related to new reinsurance transactions with life contingencies or morbidity risk in the three months ended March 31, 2024 as compared to the three months ended March 31, 2023, and (iv) higher average funding costs due to higher crediting rates and the ordinary-course run-off of older business originated in a lower interest rate environment.

These increases were offset in part by (i) an increase in gains on market risk benefits due to an increase in market interest rates in the three months ended March 31, 2024, as compared to a decrease in market interest rates during the three months ended March 31, 2023, and (ii) a decrease in variable annuity market risk benefit liabilities primarily due to higher equity market returns for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023.

Amortization of policy acquisition costs

Amortization of policy acquisition costs decreased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to the remeasurement of the policy liabilities associated with certain cost-of-reinsurance asset intangibles, resulting in an increase in the cost-of-reinsurance asset and a decrease in amortization.

Interest expense

Interest expense increased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to (i) a net increase in total debt outstanding, and (ii) an increase in interest expense on floating rate debt (i.e., Global Atlantic's fixed-to-floating swaps on its fixed rate debt) due to higher market interest rates during the three months ended March 31, 2024 compared to the three months ended March 31, 2023.

Insurance expenses

Insurance expenses decreased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to a decrease in commission expenses as result of higher proportion of ceded commission expenses.

General, administrative and other

General, administrative and other decreased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to decreased employee compensation and benefits related expenses.

Other Condensed Consolidated Results of Operations (GAAP Basis - Unaudited)

Income Tax Expense (Benefit)

For the three months ended March 31, 2024, income tax was an expense of \$269.2 million compared to an income tax expense of \$148.7 million in the prior period. The increase was primarily driven by the higher level of asset management and strategic holdings income before taxes. For a discussion of factors that impacted KKR's tax provision, see Note 18 "Income Taxes" in our financial statements included elsewhere in this report.

Net Income (Loss) Attributable to Noncontrolling Interests

Net income (loss) attributable to noncontrolling interests for the three months ended March 31, 2024 relates primarily to net income (loss) attributable to: (i) exchangeable securities representing ownership interests in KKR Group Partnership until they are exchanged for common stock of KKR & Co. Inc. and (ii) third-party limited partner interests in consolidated investment funds. Net income (loss) attributable to noncontrolling interests for the three months ended March 31, 2024 was primarily due to net gains from investment activities at our consolidated investment funds.

Net Income (Loss) Attributable to KKR & Co. Inc.

Net income (loss) attributable to KKR & Co. Inc. for the three months ended March 31, 2024 increased primarily due to a higher level of capital allocation-based income and net gains from investment activities in the current period, as described above.

Condensed Consolidated Statements of Financial Condition (GAAP Basis)

The following table provides our condensed consolidated statements of financial condition on a GAAP basis as of March 31, 2024 and December 31, 2023.

(Amounts in thousands, except per share amounts)

	As of March 31, 2024	As of December 31, 2023
Assets		
Asset Management and Strategic Holding		
Cash and Cash Equivalents	\$ 7,083,931	\$ 8,393,892
Investments	100,693,987	98,634,801
Other Assets	6,546,455	6,538,674
	114,324,373	113,567,367
Insurance		
Cash and Cash Equivalents	8,524,962	11,954,675
Investments	157,747,170	141,370,323
Other Assets	59,177,422	50,401,829
	225,449,554	203,726,827
Total Assets	\$ 339,773,927	\$ 317,294,194
Liabilities and Equity		
Asset Management and Strategic Holdings		
Debt Obligations	\$ 45,053,639	\$ 44,886,870
Other Liabilities	9,311,591	8,256,514
	54,365,230	53,143,384
Insurance		
Debt Obligations	3,086,113	2,587,857
Other Liabilities	225,410,734	203,184,041
	228,496,847	205,771,898
Total Liabilities	\$ 282,862,077	\$ 258,915,282
Redeemable Noncontrolling Interests	\$ 922,093	\$ 615,427
Stockholders' Equity		
Stockholders' Equity - Common Stock	\$ 21,421,193	\$ 22,858,694
Noncontrolling Interests	34,568,564	34,904,791
Total Equity	55,989,757	57,763,485
Total Liabilities and Equity	\$ 339,773,927	\$ 317,294,194

On January 2, 2024, KKR completed the 2024 GA Acquisition. Prior to becoming a wholly-owned subsidiary of KKR in the 2024 GA Acquisition, Global Atlantic was majority owned and controlled by KKR, and KKR already consolidated Global Atlantic in the consolidated financial statements of KKR & Co. Inc. The purchase price paid by KKR was approximately \$2.6 billion, including the issuances of approximately \$41 million of securities exchangeable for shares of KKR & Co. Inc. common stock. Global Atlantic was consolidated prior to January 2, 2024 and consequently, this transaction was accounted for as an equity transaction. At the time of the 2024 GA Acquisition, the carrying value of the noncontrolling interests held by third parties in Global Atlantic was lower than the purchase price paid by KKR, which was determined by excluding unrealized losses on its available-for-sale portfolio, which are included in accumulated other comprehensive income. As such, this transaction resulted in a decrease in KKR & Co. Inc. Stockholders' Equity. This decrease was partially offset by net income attributable to KKR & Co. Inc. common stockholders.

Consolidated Statements of Cash Flows (GAAP Basis)

The following is a discussion of our consolidated cash flows for the three months ended March 31, 2024 and 2023. You should read this discussion in conjunction with the financial statements and related notes included elsewhere in this report.

The consolidated statements of cash flows include the cash flows of our consolidated entities, which include certain consolidated investment funds, CLOs and certain variable interest entities formed by Global Atlantic notwithstanding the fact that we may hold only a minority economic interest in those investment funds and CFEs. The assets of our consolidated investment funds and CFEs, on a gross basis, can be substantially larger than the assets of our business and, accordingly, could have a substantial effect on the cash flows reflected in our consolidated statements of cash flows. The primary cash flow activities of our consolidated funds and CFEs involve: (i) capital contributions from fund investors; (ii) using the capital of fund investors to make investments; (iii) financing certain investments with indebtedness; (iv) generating cash flows through the realization of investments; and (v) distributing cash flows from the realization of investments to fund investors. Because our consolidated funds are treated as investment companies for accounting purposes, certain of these cash flow amounts are included in our cash flows from operations.

Net Cash Provided (Used) by Operating Activities

Our net cash provided (used) by operating activities was \$1.5 billion and \$(1.9) billion during the three months ended March 31, 2024 and 2023, respectively. These amounts primarily included: (i) investments purchased (asset management and strategic holdings), net of proceeds from investments (asset management and strategic holdings) of \$(0.7) billion and \$(4.7) billion, during the three months ended March 31, 2024 and 2023, respectively, (ii) net realized gains (losses) on asset management and strategic holdings investments of \$(0.2) billion and \$0.1 billion during the three months ended March 31, 2024 and 2023 respectively, (iii) change in unrealized gains (losses) on investments (asset management and strategic holdings) of \$0.8 billion and \$(0.3) billion during the three months ended March 31, 2024 and 2023, respectively, (iv) capital allocation-based income (loss) (asset management and strategic holdings) of \$1.3 billion and \$0.4 billion during the three months ended March 31, 2024 and 2023, respectively, (v) net investment and policy liability-related gains (losses) (insurance) of \$(0.6) billion and \$(1.0) billion during the three months ended March 31, 2024 and 2023, respectively, and (vi) interest credited to policyholder account balances (net of policy fees) (insurance) of \$0.9 billion and \$0.6 billion during the three months ended March 31, 2024, and 2023, respectively. Investment funds are investment companies under GAAP and reflect their investments and other financial instruments at fair value.

Net Cash Provided (Used) by Investing Activities

Our net cash provided (used) by investing activities was \$(6.2) billion and \$(3.8) billion during the three months ended March 31, 2024 and 2023, respectively. Our investing activities included: (i) investments purchased (insurance), net of proceeds from investments (insurance), of \$(6.2) billion and \$(3.8) billion during the three months ended March 31, 2024 and 2023, respectively, and (ii) the purchase of fixed assets of \$(17.3) million and \$(23.2) million during the three months ended March 31, 2024 and 2023, respectively.

Net Cash Provided (Used) by Financing Activities

Our net cash provided (used) by financing activities was \$45.0 million and \$2.1 billion during the three months ended March 31, 2024 and 2023, respectively. Our financing activities primarily included: (i) contributions from, net of distributions to, our noncontrolling and redeemable noncontrolling interests of \$(23.8) million and \$0.6 billion during the three months ended March 31, 2024 and 2023, respectively, (ii) proceeds received, net of repayment of debt obligations, of \$0.8 billion and \$1.5 billion during the three months ended March 31, 2024 and 2023, respectively, (iii) additions to, net of withdrawals from, contractholder deposit funds (insurance) of \$2.6 billion and \$0.5 billion during the three months ended March 31, 2024 and 2023, respectively, (iv) cash consideration for the 2024 GA Acquisition of \$(2.6) billion during the three months ended March 31, 2024, (v) reinsurance transactions, net of cash provided (insurance) of \$12.2 million and \$79.5 million during the three months ended March 31, 2024 and 2023, respectively, (vi) common stock dividends of \$(146.0) million and \$(133.5) million during the three months ended March 31, 2024 and 2023, respectively, and (vii) Series C Mandatory Convertible Preferred Stock dividends of \$(17.3) million during the three months ended March 31, 2023.

Analysis of Segment Operating Results

The following is a discussion of the results of our business on a segment basis for the three months ended March 31, 2024, and 2023. You should read this discussion in conjunction with the information included under "—Key Segment and Non-GAAP Performance Measures" and the financial statements and related notes included elsewhere in this report. See "Risk Factors" in our Annual Report and "—Business Environment" for more information about factors that may impact our business, financial performance, operating results and valuations.

Analysis of Asset Management Segment Operating Results

The following tables set forth information regarding KKR's asset management segment operating results and certain key capital metrics for the three months ended March 31, 2024 and 2023:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Management Fees	\$ 815,327	\$ 738,156	\$ 77,171
Transaction and Monitoring Fees, Net	152,084	142,179	9,905
Fee Related Performance Revenues	19,101	21,741	(2,640)
Fee Related Compensation	(172,640)	(203,094)	30,454
Other Operating Expenses	(145,131)	(150,404)	5,273
Fee Related Earnings	668,741	548,578	120,163
Realized Performance Income	271,545	175,398	96,147
Realized Performance Income Compensation	(193,547)	(114,009)	(79,538)
Realized Investment Income	134,753	194,834	(60,081)
Realized Investment Income Compensation	(20,211)	(29,714)	9,503
Asset Management Segment Earnings	\$ 861,281	\$ 775,087	\$ 86,194

Management Fees

The following table presents management fees by business line:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Management Fees			
Private Equity	\$ 342,485	\$ 316,341	\$ 26,144
Real Assets	220,087	193,365	26,722
Credit and Liquid Strategies	252,755	228,450	24,305
Total Management Fees	\$ 815,327	\$ 738,156	\$ 77,171

The increase in Private Equity management fees was primarily attributable to (i) management fees earned on new capital raised over the past twelve months at Ascendant Fund and private equity vehicles for private wealth investors and (ii) management fees earned from our Strategic Holdings segment in the current period. The increase was partially offset by a lower level of management fees from Americas Fund XII due to a step-down in the management fee rate in 2023 and a decrease in invested capital. During the first quarter of 2024, approximately \$12.7 million of management fees were earned on new capital raised that is retroactive to the start of the relevant fund's investment period.

The increase in Real Assets management fees was primarily attributable to (i) a higher level of management fees earned from Global Atlantic due to the growth in assets from inflows, (ii) a higher level of management fees earned from Diversified Core Infrastructure Fund due to an increase in its fee base from capital inflows and investment appreciation year over year, and (iii) management fees earned on new capital raised over the past twelve months at infrastructure vehicles for private wealth investors. During the first quarter of 2024, approximately \$0.5 million of management fees were earned on new capital raised that is retroactive to the start of the relevant fund's investment period.

The increase in Credit and Liquid Strategies management fees was primarily attributable to (i) a higher level of management fees earned from Global Atlantic due to the growth in assets from inflows and (ii) a higher level of management fees earned from Marshall Wace. The increase was partially offset by a lower level of management fees from certain SIG funds primarily due to (i) a decrease in the funds' fee base from the sale of investments and (ii) certain SIG funds which no longer pay management fees as a result of an agreement to waive such fees.

Transaction and Monitoring Fees, Net

The following table presents transaction and monitoring fees, net by business line:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Transaction and Monitoring Fees, Net			
Private Equity	\$ 15,805	\$ 34,274	\$ (18,469)
Real Assets	17,373	5,734	11,639
Credit and Liquid Strategies	3,188	284	2,904
Capital Markets	115,718	101,887	13,831
Total Transaction and Monitoring Fees, Net	\$ 152,084	\$ 142,179	\$ 9,905

Our Private Equity, Real Assets and Credit and Liquid Strategies business lines earn transaction and monitoring fees from portfolio companies, and under the terms of the management agreements with certain of our investment funds, we are required to share all or a portion of such fees with our fund investors. For most of our investment funds, transaction and monitoring fees are credited against fund management fees up to 100% of the amount of the transaction and monitoring fees attributable to that investment fund, which results in a decrease of our monitoring and transaction fees. Additionally, transaction fees are generally not earned with respect to energy and real estate investments. Our Capital Markets business line earns transaction fees, which are generally not shared with fund investors.

The increase in transaction and monitoring fees, net is primarily due to a higher level of transaction fees earned in our Capital Markets business line partially offset by a lower level of transaction and monitoring fees, net in our Private Equity business line. The increase in Capital Markets business line transaction fees was primarily due to an increase in the number of capital markets transactions for the three months ended March 31, 2024, compared to the three months ended March 31, 2023. Overall, we completed 85 capital markets transactions for the three months ended March 31, 2024, of which 9 represented equity offerings and 76 represented debt offerings, as compared to 42 capital markets transactions for the three months ended March 31, 2023, of which 9 represented equity offerings and 33 represented debt offerings. We earn fees in connection with underwriting, syndication and other capital markets services. While each of the capital markets transactions that we undertake in this business line is separately negotiated, our fee rates are generally higher with respect to underwriting or syndicating equity offerings than with respect to debt offerings, and the amount of fees that we earn for similar transactions generally correlates with overall transaction sizes.

Our capital markets fees are generated in connection with activity involving our private equity, real assets and credit funds as well as from third-party companies. For the three months ended March 31, 2024, approximately 32% of our transaction fees in our Capital Markets business line were earned from unaffiliated third parties as compared to approximately 14% for the three months ended March 31, 2023. Our transaction fees are comprised of fees earned in North America, Europe, and the Asia-Pacific region. For the three months ended March 31, 2024, approximately 34% of our transaction fees were generated outside of North America as compared to approximately 59% for the three months ended March 31, 2023. Our Capital Markets business line is dependent on the overall capital markets environment, which is influenced by equity prices, credit spreads, and volatility. Our Capital Markets business line does not generate monitoring fees.

Transaction and monitoring fees, net were lower for the three months ended March 31, 2024 compared to the prior period in our Private Equity business line primarily due to the decrease in the level of transaction activity in the current period. See "—Analysis of Asset Management Segment Operating Results—Capital Invested" for more information about capital invested by business line.

Fee Related Performance Revenues

The following table presents fee related performance revenues by business line:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Fee Related Performance Revenues			
Private Equity	\$ —	\$ —	\$ —
Real Assets	1,400	3,704	(2,304)
Credit and Liquid Strategies	17,701	18,037	(336)
Total Fee Related Performance Revenues	\$ 19,101	\$ 21,741	\$ (2,640)

Fee related performance revenues represent performance fees that are (i) expected to be received from our investment funds, vehicles and accounts on a recurring basis, and (ii) not dependent on a realization event involving investments held by the investment fund, vehicle or account.

These performance fees are primarily earned from (i) FS KKR Capital Corp. (NYSE: FSK) ("FSK") (our business development company) in our Credit and Liquid Strategies business line, and (ii) KKR Real Estate Select Trust Inc. ("KREST") (our registered closed-end real estate equity fund), KKR Real Estate Finance Trust Inc. ("KREF") (our real estate credit investment trust), and KJR Management ("KJRM") (our Japanese real estate investment trust asset manager) in our Real Assets business line.

Fee related performance revenues were lower for the three months ended March 31, 2024 compared to the prior period primarily due to no performance fee being earned from KREF in the current period.

Fee Related Compensation

The decrease in fee related compensation for the three months ended March 31, 2024 compared to the prior period was primarily due to a lower percentage of fee related revenues recorded as compensation in the current period as compared to the prior period. Effective as of the first quarter of 2024, KKR has reduced the compensation range on fee related revenues to a 15% to 20% range.

Other Operating Expenses

The decrease in other operating expenses for the three months ended March 31, 2024 compared to the prior period was primarily due to a lower level of placement fees and general administrative costs compared to the prior period.

Fee Related Earnings

The increase in fee related earnings for the three months ended March 31, 2024 compared to the prior period was primarily due to a (i) higher level of management fees across our Private Equity, Real Assets, and Credit and Liquid Strategies business lines, (ii) a higher level of transaction fees earned in our Capital Markets business line, and (iii) a lower level of fee related compensation and other operating expenses, as described above.

Realized Performance Income

The following table presents realized performance income by business line:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Realized Performance Income			
Private Equity	\$ 265,297	\$ 163,052	\$ 102,245
Real Assets	624	9,686	(9,062)
Credit and Liquid Strategies	5,624	2,660	2,964
Total Realized Performance Income	\$ 271,545	\$ 175,398	\$ 96,147

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Private Equity			
Americas Fund XII	\$ 169,386	\$ 14,714	\$ 154,672
Core Investment Vehicles	65,846	103,659	(37,813)
Co-Investment Vehicles and Other	6,730	2,292	4,438
Asian Fund III	6,721	—	6,721
2006 Fund	961	4,271	(3,310)
Next Generation Technology Growth Fund	—	17,810	(17,810)
Global Impact Fund	—	20,257	(20,257)
Other	15,653	49	15,604
Total Realized Performance Income	\$ 265,297	\$ 163,052	\$ 102,245

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Real Assets			
Real Estate Partners Americas II	\$ 624	\$ —	\$ 624
Global Infrastructure Investors II	—	9,686	(9,686)
Total Realized Performance Income	\$ 624	\$ 9,686	\$ (9,062)

Realized performance income includes (i) realized carried interest from our carry earning funds and (ii) incentive fees not included in Fee Related Performance Revenues. Incentive fees consist of performance fees earned from (i) our hedge fund partnerships, (ii) investment management agreements with KKR sponsored investment vehicles, and (iii) investment management agreements to provide KKR's investment strategies to funds managed by a UK investment fund manager.

Realized performance income in our Private Equity business line for the three months ended March 31, 2024 consisted primarily of (i) realized proceeds from the sale of our investments in AppLovin Corporation (NASDAQ: APP) held by Americas Fund XII and Australian Venue Co. (consumer products sector) held by Asian Fund III and (ii) performance income from our core investment vehicles.

Realized performance income in our Private Equity business line for the three months ended March 31, 2023 consisted primarily of (i) realized performance income from our core investment vehicles and (ii) realized proceeds from the sale of our investment in KnowBe4, Inc. held by Global Impact Fund and Next Generation Technology Growth Fund.

Realized performance income in our Real Assets business line for the three months ended March 31, 2024 consisted primarily of realized proceeds from dividends received and sales of various investments held by Real Estate Partners Americas II.

Realized performance income in our Real Assets business line for the three months ended March 31, 2023 consisted primarily of realized proceeds from the sale of our investment in Telxius Telecom, S.A.U. (infrastructure: telecommunications infrastructure sector) held by Global Infrastructure Investors II.

Realized Performance Income Compensation

The increase in realized performance income compensation for the three months ended March 31, 2024 compared to the prior period was primarily due to (i) a higher level of compensation recorded in connection with the higher level of realized performance income and (ii) a higher percentage of realized performance income recorded as compensation in the current period as compared to the prior period. Effective as of the first quarter of 2024, KKR has increased the compensation range on realized performance income to a 70% to 80% range.

Realized Investment Income

The following table presents realized investment income in our Principal Activities business line:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Realized Investment Income			
Net Realized Gains (Losses)	\$ 50,555	\$ 112,042	\$ (61,487)
Interest Income and Dividends, Net	84,198	82,792	1,406
Total Realized Investment Income	\$ 134,753	\$ 194,834	\$ (60,081)

The decrease in realized investment income is primarily due to a lower level of net realized gains. The amount of realized investment income depends on the transaction activity of our funds and balance sheet, which can vary from period to period.

For the three months ended March 31, 2024, net realized gains were comprised of realized gains primarily from the sale of our investments in AppLovin Corporation and Australian Venue Co. Partially offsetting these realized gains were realized losses, the most significant of which were (i) a realized loss on our infrastructure investment, Indus Towers Ltd. (NSE: INDUSTOW) and (ii) realized losses from the sales of various revolving credit facilities.

For the three months ended March 31, 2023, net realized gains were comprised of realized gains primarily from the sale of our investments in KnowBe4, Inc. and Flutter Entertainment PLC. Partially offsetting these realized gains were realized losses, the most significant of which was a realized loss on our alternative credit investment, Chembulk Group, and realized losses from the sales of various revolving credit facilities.

For the three months ended March 31, 2024, interest income and dividends, net were comprised of (i) interest income primarily from our investments in CLOs and (ii) dividend income primarily from our investments in Crescent Energy Company (NYSE: CRGY), KREST, and KREF.

For the three months ended March 31, 2023, interest income and dividends, net were comprised of (i) interest income primarily from our investments in CLOs, and (ii) dividend distributions primarily from our Americas real estate credit and equity investments, as well as a dividend distribution received from Resolution Life Holdings L.P. (financial services sector). See "—Analysis of Segment and Non-GAAP Performance Measures" and "—Segment Balance Sheet Measures."

Realized investment income includes the net income (loss) from KKR Capstone. For the three months ended March 31, 2024, total fees attributable to KKR Capstone were \$18.5 million and total expenses attributable to KKR Capstone were \$18.3 million. For KKR Capstone-related adjustments in reconciling asset management segment revenues to GAAP revenues see "—Segment Balance Sheet Measures—Reconciliations to GAAP Measures."

As of the date of this filing, we have transactions that are pending or that have closed after March 31, 2024, representing at least \$400.0 million of realized carried interest and realized investment income, not all of which are expected to be realized in the second quarter 2024. Some of these transactions are not complete, and are subject to the satisfaction of closing conditions, including regulatory approvals; therefore, there can be no assurance if or when such transactions will be completed. In addition, we may realize gains or losses based on transactions or other events that occur after the date of filing this report, which could impact, positively or negatively, the total amount of our realized performance income from carried interest and realized investment income. Therefore, no assurance can be given for what our actual realized carried interest and realized investment income in the second quarter 2024 or future quarters will be.

Realized Investment Income Compensation

The decrease in realized investment income compensation for the three months ended March 31, 2024 compared to the prior period is primarily due to a lower level of compensation recorded in connection with the lower level of realized investment income. The compensation range on realized investment income did not change from the prior year and remains at its current range of 10% to 20%.

Other Operating and Capital Metrics

The following table presents key operating and capital metrics as of March 31, 2024 and December 31, 2023:

	As of		
	March 31, 2024	December 31, 2023	Change
	(\$ in millions)		
Assets Under Management	\$ 577,633	\$ 552,801	\$ 24,832
Fee Paying Assets Under Management	\$ 470,603	\$ 446,408	\$ 24,195
Uncalled Commitments	\$ 97,508	\$ 98,557	\$ (1,049)

The following table presents our key capital metrics for the three months ended March 31, 2024 and 2023:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in millions)		
Capital Invested	\$ 14,104	\$ 9,767	\$ 4,337

Assets Under Management

Private Equity

The following table reflects the changes in the AUM of our Private Equity business line from December 31, 2023 to March 31, 2024:

	(\$ in millions)
December 31, 2023	\$ 176,377
New Capital Raised	3,590
Distributions and Other	(1,917)
Change in Value	4,716
March 31, 2024	\$ 182,766

AUM of our Private Equity business line was \$182.8 billion at March 31, 2024, an increase of \$6.4 billion, compared to \$176.4 billion at December 31, 2023.

The increase was primarily attributable to (i) appreciation in investment value from Americas Fund XII, Asian Fund III, and North America Fund XIII, and, to a lesser extent, (ii) new capital raised from our private equity K-Series investment vehicle designed for investment by private wealth investors and Ascendant Fund. Partially offsetting the increase were distributions to fund investors primarily as a result of realized proceeds, most notably from Americas Fund XII and Asian Fund III.

For the three months ended March 31, 2024, the value of our traditional private equity investment portfolio increased 5%. This was comprised of a 11% increase in share prices of various publicly held investments and a 4% increase in value of our privately held investments. For the three months ended March 31, 2024, the value of our growth equity investment portfolio increased 4% and our core private equity investment portfolio increased 1%.

The most significant increases in share prices of our publicly held investments were increases in AppLovin Corporation, Kokusai Electric Corporation (TYO: 6525), and BrightView Holdings, Inc. (NYSE: BV). These increases were partially offset by decreases in share prices of other publicly held investments, the most significant of which was BrightSpring Health Services Inc. The prices of publicly held companies may experience volatile changes following the reporting period. See "Risk Factors" in our Annual Report and "—Business Environment" for more information about the factors, such as volatility, that may impact our business, financial performance, operating results and valuations.

The most significant increases in the value of our privately held investments were increases in OneStream Software, LLC (technology sector), Söderberg & Partners, and BMC Software, Inc. (technology sector). These increases in value of our privately held investments were partially offset by decreases in the value of certain other privately held investments, the most significant of which were Accell Group N.V., Covenant Physician Partners, Inc. (health care sector), and Mills Fleet Farm Group LLC (retail sector). The increased valuations of these individual companies in our privately held investments, in the aggregate, generally related to (i) individual company performance and (ii) an increase in the value of market comparables. The decreased valuations of individual companies in our privately held investments, in the aggregate, generally related to an unfavorable business outlook.

Real Assets

The following table reflects the changes in the AUM of our Real Assets business line from December 31, 2023 to March 31, 2024:

	(\$ in millions)	
December 31, 2023	\$	130,933
New Capital Raised		5,858
Distributions and Other		(1,730)
Redemptions		(128)
Change in Value		429
March 31, 2024	\$	135,362

AUM of our Real Assets business line was \$135.4 billion at March 31, 2024, an increase of \$4.5 billion, compared to \$130.9 billion at December 31, 2023.

The increase was primarily attributable to (i) new capital raised from Global Atlantic and (ii) an increase in assets managed by KJRM, and, to a lesser extent, (iii) appreciation in investment value in Global Infrastructure Investors IV and Global Infrastructure Investors III. Partially offsetting the increase were (i) payments to Global Atlantic policyholders, and (ii) distributions to fund investors as a result of realized proceeds, most notably from Diversified Core Infrastructure Fund and Asia Pacific Infrastructure Investors.

For the three months ended March 31, 2024, the value of our infrastructure investment portfolio increased 5% and the value of our opportunistic real estate equity investment portfolio increased 1%.

The most significant increases in value across our Real Assets portfolio were increases in Global Technical Realty L.P. (infrastructure: telecommunications infrastructure sector), ContourGlobal plc (infrastructure: energy and energy transition sector), and CyrusOne Inc. (infrastructure: telecommunications infrastructure sector). These increases in value of our privately held investments were partially offset by decreases in the value of certain other privately held investments, the most significant of which was Ritchies Transport (infrastructure: transportation sector). The increased valuations of individual companies or assets in the aggregate, generally related to individual company or asset performance. The decreased valuations of individual companies or assets in the aggregate, generally related to an increase in interest rates which increased the cost of capital in our discounted cash flow methodology for certain valuations for certain investments in our infrastructure portfolio.

Credit and Liquid Strategies

The following table reflects the changes in the AUM of our Credit and Liquid Strategies business line from December 31, 2023 to March 31, 2024:

	(\$ in millions)	
December 31, 2023	\$	245,491
New Capital Raised		21,158
Distributions and Other		(6,059)
Redemptions		(2,893)
Change in Value		1,808
March 31, 2024	\$	259,505

AUM of our Credit and Liquid Strategies business line was \$259.5 billion at March 31, 2024, an increase of \$14.0 billion compared to \$245.5 billion at December 31, 2023.

The increase was primarily attributable to (i) new capital raised from Global Atlantic, various private credit and leveraged credit funds, and, to a lesser extent, (ii) investment value appreciation on assets managed by Marshall Wace. Partially offsetting the increase were (i) payments to Global Atlantic policyholders, (ii) distributions to, and redemptions from, fund investors at certain leveraged credit funds, and (iii) redemptions at Marshall Wace.

See "Risk Factors" in our Annual Report and "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

Fee Paying Assets Under Management

Private Equity

The following table reflects the changes in the FPAUM of our Private Equity business line from December 31, 2023 to March 31, 2024:

	(\$ in millions)
December 31, 2023	\$ 107,726
New Capital Raised	9,475
Distributions and Other	(986)
Change in Value	72
March 31, 2024	\$ 116,287

FPAUM of our Private Equity business line was \$116.3 billion at March 31, 2024, an increase of \$8.6 billion compared to \$107.7 billion at December 31, 2023.

The increase was primarily attributable to (i) assets we manage and earn a fee on from our Strategic Holdings segment beginning with the first quarter of 2024 and (ii) new capital raised from private equity K-Series for private wealth investors and Ascendant Fund. Partially offsetting the increase was distributions to fund investors primarily as a result of realized proceeds, most notably from Asian Fund II and Asian Fund III.

Uncalled capital commitments from private equity funds and other investment vehicles from which KKR is currently not earning management fees amounted to approximately \$19.1 billion at March 31, 2024, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 0.9%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

Real Assets

The following table reflects the changes in the FPAUM of our Real Assets business line from December 31, 2023 to March 31, 2024:

	(\$ in millions)
December 31, 2023	\$ 112,254
New Capital Raised	6,277
Distributions and Other	(1,940)
Redemptions	(128)
Change in Value	(814)
March 31, 2024	\$ 115,649

FPAUM of our Real Assets business line was \$115.6 billion at March 31, 2024, an increase of \$3.3 billion, compared to \$112.3 billion at December 31, 2023.

The increase was primarily attributable to (i) new capital raised from Global Atlantic and Diversified Core Infrastructure Fund and (ii) an increase in assets managed by KJRM. Partially offsetting the increase were (i) payments to Global Atlantic policyholders, (ii) distributions to fund investors as a result of realized proceeds, most notably from Global Infrastructure Investors III and Diversified Core Infrastructure Fund and (iii) a decline in the value of the assets managed by KJRM due to the impact of the decline in the value of the Japanese Yen.

Uncalled capital commitments from real assets investment funds and other investment vehicles from which KKR is currently not earning management fees amounted to approximately \$9.8 billion at March 31, 2024, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 1.2%. The date on which we begin to earn fees (as specified above) is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

Credit and Liquid Strategies

The following table reflects the changes in the FPAUM of our Credit and Liquid Strategies business line from December 31, 2023 to March 31, 2024:

	(\$ in millions)
December 31, 2023	\$ 226,428
New Capital Raised	19,891
Distributions and Other	(6,129)
Redemptions	(2,893)
Change in Value	1,370
March 31, 2024	\$ 238,667

FPAUM of our Credit and Liquid Strategies business line was \$238.7 billion at March 31, 2024, an increase of \$12.3 billion, compared to \$226.4 billion at December 31, 2023.

The increase was primarily attributable to (i) new capital raised from Global Atlantic, various private credit and leveraged credit funds, and, to a lesser extent, (ii) investment value appreciation on assets managed by Marshall Wace. Partially offsetting the increase were (i) payments to Global Atlantic policyholders, (ii) distributions to, and redemptions from, fund investors at certain leveraged credit funds, and (iii) redemptions at Marshall Wace.

Uncalled capital commitments from credit investment funds from which KKR is currently not earning management fees amounted to approximately \$14.7 billion at March 31, 2024, which includes capital commitments reserved for follow-on investments for funds that have completed their investment periods. This capital will generally begin to earn management fees upon deployment of the capital or upon the commencement of the fund's investment period. The average annual management fee rate associated with this capital is approximately 0.7%. The date on which we begin to earn fees is not guaranteed to occur and may not occur for an extended period of time. If and when such management fees are earned, a portion of existing FPAUM may cease paying fees or pay lower fees, thus offsetting a portion of any new management fees earned.

See "Risk Factors" in our Annual Report and "—Business Environment" for more information about the factors that may impact our business, financial performance, operating results and valuations.

Uncalled Commitments

Private Equity

As of March 31, 2024, our Private Equity business line had \$55.0 billion of remaining uncalled commitments that could be called for investments in new transactions as compared to \$57.4 billion as of December 31, 2023. The decrease was primarily attributable to capital called from fund investors to make investments during the period, which was partially offset by new capital commitments from fund investors.

Real Assets

As of March 31, 2024, our Real Assets business line had \$24.3 billion of remaining uncalled commitments that could be called for investments in new transactions as compared to \$24.7 billion as of December 31, 2023. The decrease was primarily attributable to capital called from fund investors to make investments during the period, which was partially offset by new capital commitments from fund investors.

Credit and Liquid Strategies

As of March 31, 2024, our Credit and Liquid Strategies business line had \$18.2 billion of remaining uncalled commitments that could be called for investments in new transactions as compared to \$16.5 billion as of December 31, 2023. The increase was primarily attributable to new capital commitments from fund investors, which was partially offset by capital called from fund investors to make investments during the period.

Capital Invested

Private Equity

For the three months ended March 31, 2024, our Private Equity business line had \$1.2 billion of capital invested as compared to \$2.9 billion for the three months ended March 31, 2023. The decrease was driven primarily by a \$1.2 billion decrease in capital invested in our core private equity strategy and a \$0.7 billion decrease in capital invested in our traditional private equity strategy. During the three months ended March 31, 2024, 62% of capital deployed in private equity (including core and growth equity investments which includes impact investments) was in transactions in North America, 22% was in the Asia-Pacific region, and 16% was in Europe. The number of large private equity investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

Real Assets

For the three months ended March 31, 2024, our Real Assets business line had \$5.5 billion of capital invested as compared to \$4.7 billion for the three months ended March 31, 2023. The increase was driven primarily by a \$1.8 billion increase in capital invested in our real estate strategy, partially offset by a \$1.0 billion decrease in our infrastructure strategy. During the three months ended March 31, 2024, 42% of capital deployed in real assets was in transactions in the Asia-Pacific region, 35% was in Europe, and 23% was in North America. The number of large real assets investments made in any quarterly or year-to-date period is volatile and, consequently, a significant amount of capital invested in one period or a few periods may not be indicative of a similar level of capital deployment in future periods.

Credit and Liquid Strategies

For the three months ended March 31, 2024, our Credit and Liquid Strategies business line had \$7.5 billion of capital invested as compared to \$2.2 billion for the three months ended March 31, 2023. The increase was driven primarily by a higher level of capital deployed across our various private credit strategies, most notably direct lending and asset-based finance. During the three months ended March 31, 2024, 89% of capital deployed was in transactions in North America, 9% was in Europe, and 2% was in the Asia-Pacific region.

Analysis of Insurance Segment Operating Results

The following table sets forth information regarding KKR's insurance segment operating results for the three months ended March 31, 2024 and 2023:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Net Investment Income	\$ 1,486,419	\$ 1,271,255	\$ 215,164
Net Cost of Insurance	(1,003,327)	(750,612)	(252,715)
General, Administrative and Other	(210,252)	(196,714)	(13,538)
Pre-tax Operating Earnings	272,840	323,929	(51,089)
Pre-tax Operating Earnings Attributable to Noncontrolling Interests	—	(118,817)	118,817
Insurance Operating Earnings	\$ 272,840	\$ 205,112	\$ 67,728

Net Investment Income

Net investment income increased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to (i) increased average assets under management due to growth in assets in the institutional market channel as a result of recent reinsurance transactions and individual market channel sales from new business growth, and (ii) increases in portfolio yields due to higher market interest rates. Investment portfolio yields in the quarter reflect higher levels of cash and more liquid investments, treasuries and investment-grade corporate bonds transferred as part of recent block reinsurance transactions.

Net Cost of Insurance

Net cost of insurance increased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to (i) growth in reserves in the institutional market as a result of recent reinsurance transactions and in the individual market as a result of new business volumes, and (ii) higher average funding costs due to higher crediting rates and the routine run-off of older business originated in a lower interest rate environment.

General, Administrative and Other Expenses

General and administrative expenses increased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to an increase in interest expense on floating rate debt (i.e., Global Atlantic's fixed-to-floating swaps on its fixed rate debt) due to higher market interest rates and a net increase in total debt outstanding.

Insurance Operating Earnings

Insurance operating earnings increased for the three months ended March 31, 2024 as compared to the three months ended March 31, 2023 primarily due to (i) the acquisition of the remaining minority interests not already held by KKR on January 2, 2024, and (ii) higher net investment income, partially offset by higher net cost of insurance, as described above.

Analysis of Strategic Holdings Segment Operating Results

The following table sets forth information regarding KKR's strategic holdings segment operating results for the three months ended March 31, 2024 and 2023:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Dividends, Net	\$ 20,720	\$ —	\$ 20,720
Strategic Holdings Operating Earnings	20,720	—	20,720
Net Realized Investment Income	—	—	—
Strategic Holdings Segment Earnings	\$ 20,720	\$ —	\$ 20,720

Dividends, Net

For the three months ended March 31, 2024, dividends, net were comprised of dividend income from Exact Holding B.V. and FiberCop S.p.A. For the three months ended March 31, 2023 there were no dividends earned. Dividends earned in our Strategic Holdings segment are reduced by a management fee charged by our Asset Management segment. For the three months ended March 31, 2024, the management fee was \$7.5 million.

Net Realized Investment Income

For the three months ended March 31, 2024 and 2023 there was no net realized investment income earned in our Strategic Holdings segment.

Strategic Holdings Segment Earnings

The increase in strategic holdings segment earnings for the three months ended March 31, 2024 compared to the prior period was due to the distribution of dividends by companies owned by the firm through our participation in the core private equity strategy.

Analysis of Segment and Non-GAAP Performance Measures

The following is a discussion of our Segment and Non-GAAP performance measures for the three months ended March 31, 2024 and 2023:

	Three Months Ended		
	March 31, 2024	March 31, 2023	Change
	(\$ in thousands)		
Fee Related Earnings	\$ 668,741	\$ 548,578	\$ 120,163
Insurance Operating Earnings	272,840	205,112	67,728
Strategic Holdings Operating Earnings	20,720	—	20,720
Total Operating Earnings	962,301	753,690	208,611
Net Realized Performance Income	77,998	61,389	16,609
Net Realized Investment Income	114,542	165,120	(50,578)
Total Investing Earnings	192,540	226,509	(33,969)
Total Segment Earnings	1,154,841	980,199	174,642
Interest Expense, Net and Other	(74,730)	(87,866)	13,136
Income Taxes on Adjusted Earnings	(216,366)	(173,057)	(43,309)
Adjusted Net Income	\$ 863,745	\$ 719,276	\$ 144,469

Total Operating Earnings

The increase in total operating earnings for the three months ended March 31, 2024 compared to the prior period was primarily due to a higher level of fee related earnings, insurance operating earnings, and strategic holdings operating earnings. For a discussion of fee related earnings, insurance operating earnings, and strategic holdings operating earnings, see "—Analysis of Asset Management Segment Operating Results", "—Analysis of Insurance Segment Operating Results", and "—Analysis of Strategic Holdings Segment Operating Results."

Total Investing Earnings

The decrease in total investing earnings for the three months ended March 31, 2024 compared to the prior period was primarily due to a lower level of net realized investment income, partially offset by an increase in net realized performance income. For a discussion of net realized performance income and net realized investment income, see "—Analysis of Asset Management Segment Operating Results" and "—Analysis of Strategic Holdings Segment Operating Results."

Total Segment Earnings

The increase in total segment earnings for the three months ended March 31, 2024 compared to the prior period was primarily due to an increase in total operating earnings, partially offset by a decrease in total investing earnings.

Adjusted Net Income

The increase in adjusted net income for the three months ended March 31, 2024 compared to the prior period was primarily due to a higher level of total segment earnings and, to a lesser extent, a decrease in interest expense, net, partially offset by an increase in income taxes on adjusted earnings.

Income Taxes on Adjusted Earnings

The increase in income taxes on adjusted earnings for the three months ended March 31, 2024 compared to the prior period was primarily due to a higher level of total segment earnings.

For the three months ended March 31, 2024 and 2023, the amount of the tax benefit from equity-based compensation included in income taxes on adjusted earnings was \$26.2 million and \$13.7 million, respectively. The inclusion of the tax benefit from equity-based compensation in Adjusted Net Income had the effect of increasing this measure by 3% and 2%, respectively, for three months ended March 31, 2024 and 2023.

Segment Balance Sheet Measures

Asset Management Investment Portfolio

Beginning with the first quarter of 2024, we are reporting our investments from our core private equity strategy in our Strategic Holdings segment, and our investments from the investment strategies that we manage that are reported in the Asset Management segment excludes core private equity. To the extent our investments are realized at values above or below their cost in future periods, adjusted net income would be positively or negatively affected by the amount of any such gain or loss, respectively, during the period in which the realization event occurs. Our investments in Asset Management by asset class as of March 31, 2024 are as follows:

Asset Management Investments ⁽¹⁾	As of March 31, 2024		
	(\$ in thousands)		
	Cost	Fair Value	Fair Value as a Percentage of Total Asset Management Investments
Traditional Private Equity	\$ 1,051,690	\$ 2,733,070	25.9 %
Growth Equity	298,946	1,157,232	10.9 %
Private Equity Total	1,350,636	3,890,302	36.8 %
Real Estate	1,410,897	1,370,144	13.0 %
Energy	628,712	673,842	6.4 %
Infrastructure	317,411	583,531	5.5 %
Real Assets Total	2,357,020	2,627,517	24.9 %
Leveraged Credit	1,330,151	1,280,302	12.1 %
Alternative Credit	671,996	828,174	7.8 %
Credit Total	2,002,147	2,108,476	19.9 %
Other	2,041,645	1,944,760	18.4 %
Total Asset Management Investments	\$ 7,751,448	\$ 10,571,055	100.0 %

(1) Investments is a term used solely for purposes of financial presentation of a portion of KKR's balance sheet and includes majority ownership of subsidiaries that operate KKR's asset management and insurance businesses, including the general partner interests of KKR's investment funds. Investments presented are principally the assets measured at fair value that are held by KKR's asset management segment, which, among other things, does not include the underlying investments held by Global Atlantic and Marshall Wace. This table excludes investments in our Strategic Holdings and Insurance segments, about which additional information is available at Footnote 21 "Segment Reporting" in our financial statements.

Global Atlantic's Investment Portfolio

As of March 31, 2024, 96% and 89% of Global Atlantic's available-for-sale ("AFS") fixed maturity securities were considered investment grade under ratings from the Securities Valuation Office of the NAIC and NRSROs, respectively. As of December 31, 2023, 96% and 88% of Global Atlantic's AFS fixed maturity securities were considered investment grade under ratings from NAIC and NRSROs, respectively. Securities where a rating by an NRSRO was not available are considered investment grade if they have an NAIC designation of "1" or "2." The three largest asset categories in Global Atlantic's AFS fixed-maturity security portfolio as of March 31, 2024 were Corporate securities, residential mortgage-backed securities ("RMBS") and commercial mortgage-backed securities ("CMBS"), comprising 26%, 6% and 5% of Global Atlantic's investment portfolio, respectively. Within these categories, 96%, 97% and 94% of Global Atlantic's Corporate, RMBS and CMBS securities, respectively, were investment grade according to NAIC ratings and 96%, 69% and 57% of its Corporate, RMBS and CMBS securities, respectively, were investment grade according to NRSRO ratings as of March 31, 2024. The three largest asset categories in Global Atlantic's AFS fixed-maturity security portfolio as of December 31, 2023 were Corporate, RMBS and CMBS securities, comprising 28%, 6% and 5% of Global Atlantic's investment portfolio, respectively. Within these categories, 95%, 96% and 93% of Global Atlantic's Corporate, RMBS and CMBS securities, respectively, were investment grade according to NAIC ratings and 95%, 61% and 56% of its Corporate, RMBS and CMBS securities, respectively, were investment grade according to NRSRO ratings as of December 31, 2023. NRSRO and NAIC ratings have different methodologies. Global Atlantic believes the NAIC ratings methodology, which considers the likelihood of recovery of amortized cost as opposed to the recovery of all contractual payments including the principal at par, as the more appropriate way to view the ratings quality of its AFS fixed maturity portfolio since a large portion of its holdings were purchased at a significant discount to par value. The portion of Global Atlantic's investment portfolio consisting of floating rate assets was 25% and 27% as of March 31, 2024 and December 31, 2023, respectively.

Within the funds withheld receivable at interest portfolio, 96% and 97% of the fixed maturity securities were investment grade by NAIC designation as of both March 31, 2024 and December 31, 2023, respectively.

Trading fixed maturity securities back funds withheld payable at interest where the investment performance is ceded to reinsurers under the terms of the respective reinsurance agreements.

Credit quality of AFS fixed maturity securities

The Securities Valuation Office of the NAIC evaluates the AFS fixed maturity security investments of insurers for regulatory reporting and capital assessment purposes and assigns securities to one of six credit quality categories called "NAIC designations." Using an internally developed rating is permitted by the NAIC if no rating is available. These designations are generally similar to the credit quality designations of NRSROs for marketable fixed maturity securities, except for certain structured securities as described below. NAIC designations of "1," highest quality, and "2," high quality, include fixed maturity securities generally considered investment grade by NRSROs. NAIC designations "3" through "6" include fixed maturity securities generally considered below investment grade by NRSROs.

Consistent with the NAIC Process and Procedures Manual, an NRSRO rating was assigned based on the following criteria: (i) the equivalent S&P rating where the security is rated by one NRSRO; (ii) the equivalent S&P rating of the lowest NRSRO when the security is rated by two NRSROs; and (iii) the equivalent S&P rating of the second lowest NRSRO if the security is rated by three or more NRSROs. If the lowest two NRSROs' ratings are equal, then such rating will be the assigned rating. NRSROs' ratings available for the periods presented were S&P, Fitch, Moody's, DBRS, Inc. and Kroll Bond Rating Agency, Inc. If no rating is available from a rating agency, then an internally developed rating is used.

Substantially all of the AFS fixed maturity securities portfolio, 96% as of both March 31, 2024 and December 31, 2023, respectively, was invested in investment grade assets with a NAIC rating of 1 or 2.

The portion of the AFS fixed maturity securities portfolio that was considered below investment grade by NAIC designation was 4% as of both March 31, 2024 and December 31, 2023. Pursuant to Global Atlantic's investment guidelines, Global Atlantic actively monitors the percentage of its portfolio that is held in investments rated NAIC 3 or lower and must obtain an additional approval from Global Atlantic's management investment committee before making a significant investment in an asset rated NAIC 3 or lower.

Corporate fixed maturity securities

Global Atlantic maintains a diversified portfolio of corporate fixed maturity securities across industries and issuers. As of March 31, 2024 and December 31, 2023, 54% and 58% of the AFS fixed maturity securities portfolio was invested in corporate fixed maturity securities, respectively. As of March 31, 2024 and December 31, 2023, approximately 5% and 6% of the portfolio is denominated in foreign currency, respectively.

As of March 31, 2024 and December 31, 2023, 96% and 95% of the total fair value of corporate fixed maturity securities is rated NAIC investment grade, respectively, and 96% and 95% is rated NRSROs investment grade, respectively.

Residential mortgage-backed securities

As of March 31, 2024 and December 31, 2023, 13% and 11% of the AFS fixed maturity securities portfolio was invested in RMBS, respectively. RMBS are securities constructed from pools of residential mortgages and backed by payments from those pools. Excluding limitations on access to lending and other extraordinary economic conditions, Global Atlantic would expect prepayments of principal on the underlying loans to accelerate with decreases in market interest rates and diminish with increases in market interest rates.

The NAIC designations for RMBS, including prime, sub-prime, alt-A, and adjustable rate mortgages with variable payment options ("Option ARM"), are based upon a comparison of the bond's amortized cost to the NAIC's loss expectation for each security. Accordingly, an investment in the same security at a lower cost may result in a higher quality NAIC designation in recognition of the lower likelihood the investment would result in a realized loss. Prime residential mortgage lending includes loans to the most creditworthy borrowers with high quality credit profiles. Alt-A is a classification of mortgage loans where the risk profile of the borrower is between prime and sub-prime, which also includes certain non-qualified mortgages. Sub-prime mortgage lending is the practice of originating residential mortgage loans to borrowers with weaker credit profiles.

As of both March 31, 2024 and December 31, 2023, 89% of RMBS securities that are below investment grade as rated by the NRSRO, carry an NAIC 1 ("highest quality") designation, respectively.

As of March 31, 2024, Alt-A, Agency, Option ARM, Sub-prime and Re-Performing represent 40%, 19%, 17%, 9% and 8% of the total RMBS portfolio (\$9.7 billion), respectively. As of December 31, 2023, Alt-A, Option ARM, Re-Performing and Sub-prime represent 45%, 21%, 10% and 10% of the total RMBS portfolio (\$7.9 billion), respectively.

Unrealized gains and losses for AFS fixed maturity securities

Global Atlantic's investments in AFS fixed maturity securities are reported at fair value with changes in fair value recorded in other comprehensive income as unrealized gains or losses, net of taxes and offsets. Unrealized gains and losses can be created by changes in interest rates or by changes in credit spreads.

As of March 31, 2024 and December 31, 2023, Global Atlantic had gross unrealized losses on below investment grade AFS fixed maturity securities of \$668.6 million and \$750.3 million based on NRSRO rating and \$220.8 million and \$267.2 million based on NAIC ratings, respectively. As of March 31, 2024, unrealized losses were not recognized in net income on these debt securities since Global Atlantic neither intends to sell the securities nor does it believe that it is more likely than not that it will be required to sell these securities before recovery of their cost or amortized cost basis.

Credit quality of mortgage and other loan receivables

Mortgage and other loan receivables consist of commercial and residential mortgage loans, consumer loans and other loan receivables. As of March 31, 2024 and December 31, 2023, 26% and 28% of Global Atlantic's total investments consisted of mortgage and other loan receivables, respectively.

Global Atlantic invests in U.S. mortgage loans, comprised of first lien and mezzanine commercial mortgage loans and first lien residential mortgage loans. For Global Atlantic's commercial mortgage loan portfolio, the most prevalent property type is multi-family residential buildings, which represents over half of the portfolio as of both March 31, 2024 and December 31, 2023. Office and retail properties represent approximately 23% of the portfolio as of both March 31, 2024 and December 31, 2023.

Global Atlantic's commercial mortgage loans are assigned NAIC designations, with designations "CM1" and "CM2" considered to be investment grade. As of March 31, 2024 and December 31, 2023, 90% and 89% of the commercial mortgage loan portfolio were rated investment grade based on NAIC designation, respectively. The payment status of over 98% and over 98% of the commercial mortgage loan portfolio is current as of March 31, 2024 and December 31, 2023, respectively.

The loan-to-value ratio is expressed as a percentage of the current amount of the loan relative to the value of the underlying collateral. As of March 31, 2024 and December 31, 2023, approximately 87% and 88%, respectively, of the commercial mortgage loans have a loan-to-value ratio of 70% or less and for March 31, 2024 and December 31, 2023, 3% and 2% have loan-to-value ratio over 90%, respectively.

Changing economic conditions and updated assumptions affect Global Atlantic's assessment of the collectibility of commercial mortgage loans. Changing vacancies and rents are incorporated into the analysis that Global Atlantic performs to measure the allowance for credit losses. In addition, Global Atlantic continuously monitors its commercial mortgage loan portfolio to identify risk. Areas of emphasis are properties that have exposure to specific geographic events or have deteriorating credit.

As of March 31, 2024, the payment status of 96% of the residential mortgage loan portfolio is current, and approximately \$238.0 million is 90 days or more past due or in process of foreclosure (representing 2% of the total residential mortgage portfolio). As of December 31, 2023, the payment status of 96% of the residential mortgage loan portfolio was current and approximately \$231.2 million were 90 days or more past due or in process of foreclosure (representing 2% of the total residential mortgage portfolio).

The weighted average loan-to-value ratio for residential mortgage loans was 64% and 63% as of March 31, 2024 and December 31, 2023, respectively.

Global Atlantic's residential mortgage loan portfolio primarily includes mortgage loans backed by single family rental properties, prime loans and re-performing loans that were purchased at a discount after they were modified and returned to performing status. Global Atlantic has also extended financing to counterparties in the form of repurchase agreements secured by mortgage loans, including performing and non-performing mortgage loans.

Global Atlantic's consumer loan portfolio is primarily comprised of home improvement loans, residential solar loans, student loans and auto loans. As of March 31, 2024, 97% of the consumer loan portfolio is in current status and approximately \$32.5 million is 90 days or more past due or in process of foreclosure (representing 1% of the total consumer loan portfolio).

Additional Information

To provide supplemental information to stockholders about the net assets of KKR on a segment basis, KKR's book value was \$28.3 billion as of March 31, 2024, which included cash and short-term investments of \$4.0 billion. This amount includes KKR's net investment in Global Atlantic, KKR's investments in the Asset Management and Strategic Holdings segments, and the net impact of KKR's tax and other assets and liabilities, and it excludes the net assets allocable to investors in KKR's investment funds and other noncontrolling interest holders.

Reconciliations to GAAP Measures

The following tables reconcile the most directly comparable financial measures calculated and presented in accordance with GAAP to KKR's non-GAAP financial measures:

Revenues

	Three Months Ended	
	March 31, 2024	March 31, 2023
	(\$ in thousands)	
Total GAAP Revenues	\$ 9,656,738	\$ 3,127,482
Impact of Consolidation and Other	283,823	209,778
<i>Asset Management Adjustments:</i>		
Capital Allocation-Based Income (Loss) (GAAP)	(1,262,942)	(449,018)
Realized Carried Interest	250,268	172,689
Realized Investment Income - Asset Management	134,753	194,834
Capstone Fees	(18,514)	(19,805)
Expense Reimbursements	(8,093)	(15,544)
<i>Strategic Holdings Adjustments:</i>		
Strategic Holdings Segment Management Fees	7,484	—
<i>Insurance Adjustments:</i>		
Net Premiums	(6,036,522)	(473,624)
Policy Fees	(328,947)	(313,802)
Other Income	(56,385)	(37,158)
(Gains) Losses from Investments ⁽¹⁾	258,483	260,507
Non-operating Changes in Policy Liabilities and Derivatives	19,803	(112,776)
Total Segment Revenues ⁽²⁾	\$ 2,899,949	\$ 2,543,563

(1) Includes (gains) losses on funds withheld receivables and payables embedded derivatives.

(2) Total Segment Revenues is comprised of (i) Management Fees, (ii) Transaction and Monitoring Fees, Net, (iii) Fee Related Performance Revenues, (iv) Realized Performance Income, (v) Realized Investment Income, (vi) Net Investment Income, and (vii) Dividends, Net.

Net Income (Loss) Attributable to KKR & Co. Inc. Common Stockholders

	Three Months Ended	
	March 31, 2024	March 31, 2023
	(\$ in thousands)	
Net Income (Loss) - KKR Common Stockholders (GAAP)	\$ 682,214	\$ 322,744
Preferred Stock Dividends	—	17,250
Net Income (Loss) Attributable to Noncontrolling Interests	411,636	(80,306)
Income Tax Expense (Benefit)	269,201	148,747
Income (Loss) Before Tax (GAAP)	\$ 1,363,051	\$ 408,435
Impact of Consolidation and Other	(191,519)	93,511
Income Taxes on Adjusted Earnings	(216,366)	(173,057)
<i>Asset Management Adjustments:</i>		
Unrealized (Gains) Losses	(399,078)	119,934
Unrealized Carried Interest	(946,816)	(202,659)
Unrealized Carried Interest Compensation	757,452	83,830
Strategic Corporate Related Charges and Other	61,675	6,807
Equity-based Compensation	73,777	59,017
Equity-based Compensation - Performance based	80,568	67,273
<i>Strategic Holdings Adjustments:</i>		
Unrealized (Gains) Losses	(73,257)	(20,607)
<i>Insurance Adjustments:</i> ⁽¹⁾		
(Gains) Losses from Investments ⁽¹⁾⁽²⁾	246,917	131,114
Non-operating Changes in Policy Liabilities and Derivatives ⁽¹⁾	73,863	106,491
Equity-based and Other Compensation ⁽¹⁾	29,066	36,393
Amortization of Acquired Intangibles ⁽¹⁾	4,412	2,794
Adjusted Net Income	\$ 863,745	\$ 719,276
Interest Expense, Net	72,807	82,240
Net Income Attributable to Noncontrolling Interests	1,923	5,626
Income Taxes on Adjusted Earnings	216,366	173,057
Total Segment Earnings	\$ 1,154,841	\$ 980,199
Net Realized Performance Income	(77,998)	(61,389)
Net Realized Investment Income	(114,542)	(165,120)
Total Operating Earnings	\$ 962,301	\$ 753,690
Total Investing Earnings	192,540	226,509
Depreciation and Amortization	12,503	10,434
Adjusted EBITDA	\$ 1,167,344	\$ 990,633

(1) For the three months ended March 31, 2023, amounts represent the portion allocable to KKR & Co. Inc.

(2) Includes (gains) losses on funds withheld receivables and payables embedded derivatives.

KKR & Co. Inc. Stockholders' Equity - Common Stock

	As of
	March 31, 2024
	(\$ in thousands)
KKR & Co. Inc. Stockholders' Equity - Common Stock	\$ 21,421,193
Impact of Consolidation and Other ⁽¹⁾	391,128
Exchangeable Securities	257,664
Accumulated Other Comprehensive Income (AOCI) and Other (Insurance)	6,202,692
Book Value	\$ 28,272,677

Cash and Cash Equivalents - Asset Management and Strategic Holdings - GAAP

	As of
	March 31, 2024
	(\$ in thousands)
Cash and Cash Equivalents - Asset Management and Strategic Holdings - GAAP	\$ 7,083,931
Impact of Consolidation and Other ⁽¹⁾	(3,563,677)
Short-term Investments	494,891
Cash and Short-term Investments	\$ 4,015,145

Investments - Asset Management and Strategic Holdings - GAAP

	As of
	March 31, 2024
	(\$ in thousands)
Investments - Asset Management and Strategic Holdings - GAAP	\$ 100,693,987
Impact of Consolidation and Other ⁽¹⁾	(89,628,041)
Short-term Investments	(494,891)
Investments - Asset Management Segment	\$ 10,571,055

(1) The purpose of this adjustment is to present these non-GAAP measures without giving effect to the consolidation of the investment vehicles and collateralized financing entities that KKR manages. We believe that providing these non-GAAP measures on a supplemental basis to our GAAP results is helpful to stockholders in assessing the overall financial condition of KKR.

Liquidity

We manage our liquidity and capital requirements by (a) focusing on our cash flows before the consolidation of our funds and CFEs and the effect of changes in short term assets and liabilities, which we anticipate will be settled for cash within one year, and (b) seeking to maintain access to sufficient liquidity through various sources. The overall liquidity framework and cash management approach of our insurance business are also based on seeking to build an investment portfolio that is cash flow matched, providing cash inflows from insurance assets that meet our insurance companies' expected cash outflows to pay their liabilities. Our primary cash flow activities typically involve: (i) generating cash flow from operations; (ii) generating income from investment activities, by investing in investments that generate yield (namely interest and dividends), as well as through the sale of investments and other assets; (iii) funding capital commitments that we have made to, and advancing capital to, our funds and CLOs; (iv) developing and funding new investment strategies, investment products, and other growth initiatives, including acquisitions of other investments, assets, and businesses; (v) underwriting and funding capital commitments in our capital markets business; (vi) distributing cash flow to our stockholders and any holders of our preferred stock, if any; and (vii) paying borrowings, interest payments, and repayments under credit agreements, our senior and subordinated notes, and other borrowing arrangements. See "—Liquidity," "—Liquidity Needs" and "—Dividends and Stock Repurchases."

See "Risk Factors" in our Annual Report and "—Business Environment" for more information on factors that may impact our business, financial performance, operating results and valuations.

Sources of Liquidity

Our primary sources of liquidity consist of amounts received from: (i) our operating activities, including the fees earned from our funds, portfolio companies, and capital markets transactions; (ii) realizations on carried interest from our investment funds; (iii) interest and dividends from investments that generate yield, including our investments in CLOs; (iv) in our insurance business, cash inflows in respect of new premiums, policyholder deposits, reinsurance transactions and funding agreements, including through memberships in FHLBs; (v) realizations on and sales of investments and other assets, including the transfers of investments or other assets for fund formations (including CLOs and other investment vehicles); and (vi) borrowings, including advances under our revolving credit facilities, debt offerings, repurchase agreements, and other borrowing arrangements. In addition, we may generate cash proceeds from issuances of our or our subsidiaries' equity securities.

Many of our investment funds like our private equity and real assets funds provide for carried interest. With respect to our carry-paying investment funds, carried interest is eligible to be distributed to the general partner of the fund only after all of the following are met: (i) a realization event has occurred (e.g., sale of a portfolio company, dividend, etc.); (ii) the vehicle has achieved positive overall investment returns since its inception, in excess of performance hurdles where applicable, and is accruing carried interest; and (iii) with respect to investments with a fair value below cost, cost has been returned to fund investors in an amount sufficient to reduce remaining cost to the investments' fair value. Even after all of the preceding conditions are met, the general partner of the fund may, in its sole discretion, decide to defer the distribution of carried interest to it to a later date. In addition, these funds generally include what is called a "clawback" provision, which provides that the general partner must return any carried interest that is paid in excess of what the general partner is entitled to receive at the end of the term of the fund, as discussed further below.

As of March 31, 2024, certain of our investment funds had met the first and second criteria, as described above, but did not meet the third criteria. In these cases, carried interest accrues on the consolidated statement of operations, but will not be distributed in cash to us as the general partner of an investment fund upon a realization event. For a fund that has a fair value above cost, overall, and is otherwise accruing carried interest, but has one or more investments where fair value is below cost, the shortfall between cost and fair value for such investments is referred to as a "netting hole." When netting holes are present, realized gains on individual investments that would otherwise allow the general partner to receive carried interest distributions are instead used to return invested capital to our funds' limited partners in an amount equal to the netting hole. Once netting holes have been filled with either (a) return of capital equal to the netting hole for those investments where fair value is below cost or (b) increases in the fair value of those investments where fair value is below cost, then realized carried interest will be distributed to the general partner upon a realization event. A fund that is in a position to pay cash carry refers to a fund for which carried interest is expected to be paid to the general partner upon the next material realization event, which includes funds with no netting holes as well as funds with a netting hole that is sufficiently small in size such that the next material realization event would be expected to result in the payment of carried interest. Strategic investor partnerships with fund investors may require netting across the various funds in which they invest, which may reduce the carried interest we otherwise would have earned if such fund investors were to have invested in our funds without the existence of the strategic investor partnership.

As of March 31, 2024, netting holes in excess of \$50 million existed at European Fund V and Health Care Strategic Growth Fund in the amounts of \$102 million, and \$72 million, respectively. In accordance with the criteria set forth above, other funds currently have and may in the future develop netting holes, and netting holes for those and other funds may otherwise increase or decrease in the future. There are also investment funds that are not accruing carried interest and do not have a netting hole although they may be in a clawback position. If the investment fund has distributed carried interest, but subsequently does not have sufficient value to provide for the distribution of carried interest at the end of the life of the investment fund, the general partner is typically required to return previously distributed carried interest to the fund investors. Although our current and former employees who received distributions of carried interest subject to clawback are required to return them to KKR, it is KKR's obligation to return carried interest subject to clawback to the fund investors. As of March 31, 2024, approximately \$550 million of carried interest was subject to this clawback obligation, assuming that all applicable carry-paying funds and their alternative investment vehicles were liquidated at their March 31, 2024 fair values. As of March 31, 2024, Asian Fund II is the only investment fund with a clawback obligation in excess of \$50 million. See Note 24 "Commitments and Contingencies—Contingent Repayment Guarantees" in our financial statements included elsewhere in this report for further information. See also the negative amounts included in the Carried Interest column in the table included in this Item 2 in "Asset Management—Private Equity" for further information on clawback obligations.

We have access to funding under various credit facilities, other borrowing arrangements and other sources of liquidity that we have entered into with major financial institutions or which we receive from the capital markets.

For a discussion of our debt obligations, including our debt securities, revolving credit agreements and loans, see Note 16 "Debt Obligations" in our financial statements.

Liquidity Needs

We expect that our primary liquidity needs will consist of cash required to meet various obligations, including, without limitation, to:

- continue to support and grow our asset management business, including seeding new investment strategies, supporting capital commitments made by our vehicles to existing and future funds, co-investments and any net capital requirements of our capital markets companies and otherwise supporting the investment vehicles that we sponsor;
- continue to support and grow our insurance business;
- grow and expand our businesses generally, including by acquiring or launching new, complementary or adjacent businesses;
- warehouse investments in portfolio companies or other investments for the benefit of one or more of our funds, accounts or CLOs or other investment vehicles pending the contribution of committed capital by the fund investors in such vehicles, and advancing capital to them for operational or other needs;
- service debt obligations including the payment of obligations at maturity, on interest payment dates or upon redemption, as well as any contingent liabilities, including from litigation, that may give rise to future cash payments, including funding requirements to levered investment vehicles or structured transactions;
- fund cash operating expenses and contingencies, including for litigation matters and guarantees;
- pay corporate income taxes and other taxes;
- pay policyholders and amounts in our insurance business related to investment, reinvestment, reinsurance or funding agreement activity;
- pay amounts that may become due under our tax receivable agreement;
- pay cash dividends in accordance with our dividend policy for our common stock or the terms of our preferred stock, if any;
- underwrite commitments, advance loan proceeds and fund syndication commitments within our capital markets business;
- post or return collateral in respect of derivative contracts;

- acquire other assets (including businesses, investments and other assets) for our businesses, some of which may be required to satisfy regulatory requirements for our capital markets business or risk retention requirements for CLOs (to the extent they may apply);
- address capital needs of regulated subsidiaries as well as non-regulated subsidiaries; and
- repurchase shares of our common stock or retire equity awards pursuant to the share repurchase program or repurchase or redeem other securities issued by us.

For a discussion of KKR's share repurchase program, see Note 22 "Equity" in our financial statements.

Capital Commitments

The agreements governing our active investment funds generally require the general partners of the funds to make minimum capital commitments to such funds, which generally range from 2% to 8% of a fund's total capital commitments at final closing, but may be greater for certain funds (i) where we are pursuing newer strategies, (ii) where third party investor demand is limited, and (iii) where a larger commitment is consistent with the asset allocation strategy in our Principal Activities business line, including exposure to the Asia-Pacific region, and in our Strategic Holdings segment.

The following table presents our uncalled commitments to our active investment funds and other vehicles as of March 31, 2024:

	Uncalled Commitments
Private Equity	(\$ in millions)
Core Investment Vehicles	\$ 3,098
Ascendant Fund	312
European Fund VI	126
Health Care Strategic Growth Fund II	89
Asian Fund IV	69
North America Fund XIII	62
Next Generation Technology Growth Fund III	7
Other Private Equity Vehicles	803
Total Private Equity Commitments	4,566
Real Assets	
Asia Pacific Infrastructure Investors II	241
Real Estate Partners Americas III	78
Asia Real Estate Partners	54
Real Estate Partners Europe II	53
Global Infrastructure Investors IV	16
Other Real Assets Vehicles	1,779
Total Real Assets Commitments	2,221
Credit and Liquid Strategies	
Asia Credit	93
Opportunities Fund II	91
Asset-Based Finance Partners	60
Dislocation Opportunities Fund	60
Lending Partners IV	16
Lending Partners Europe II	16
Private Credit Opportunities Partners II	6
Other Credit and Liquid Strategies Vehicles	819
Total Credit and Liquid Strategies Commitments	1,161
Total Uncalled Commitments	\$ 7,948

Other Commitments

In addition to the uncalled commitments to our investment funds as shown above, KKR has entered into contractual commitments primarily with respect to underwriting transactions, debt financing, revolving credit facilities, and equity syndications in our Capital Markets business line. As of March 31, 2024, these commitments amounted to \$0.5 billion. Whether these amounts are actually funded, in whole or in part, depends on the contractual terms of such commitments, including the satisfaction or waiver of any conditions to closing or funding. From time to time, we fund these various commitments noted above in our capital markets business by drawing all or substantially all of our availability for borrowings under our available credit facilities. We generally expect these borrowings by our capital markets business to be repaid promptly as these commitments are syndicated to third parties or otherwise fulfilled or terminated, although we may in some instances elect to retain a portion of the commitments for our own investment. These arrangements with third parties reduce our risk under certain circumstances when underwriting certain debt transactions. As a result, our unfunded commitments as of March 31, 2024 have been reduced to reflect the amount to be funded by such third parties. For more information about our Capital Markets business line's risks, see "Risk Factors—Risks Related to Our Business—Our capital markets activities expose us to material risks" in our Annual Report.

Tax Receivable Agreement

On May 30, 2022, KKR terminated the tax receivable agreement with KKR Holdings other than with respect to exchanges of KKR Holdings Units completed prior to such date. As of March 31, 2024, an undiscounted payable of \$381.1 million has been recorded in due to affiliates in the financial statements representing management's best estimate of the amounts currently expected to be owed for certain exchanges of KKR Holdings Units that took place prior to the termination of the tax receivable agreement. As of March 31, 2024, approximately \$103.9 million of cumulative cash payments have been made under the tax receivable agreement since inception.

Dividends and Stock Repurchases

A dividend of \$0.175 per share of our common stock has been declared and will be paid on May 28, 2024 to holders of record of our common stock as of the close of business on May 13, 2024.

When KKR & Co. Inc. receives distributions from KKR Group Partnership, holders of exchangeable securities receive their pro rata share of such distributions from KKR Group Partnership.

The declaration and payment of dividends to our common stockholders will be at the sole discretion of our Board of Directors, and our dividend policy may be changed at any time. We announced on February 6, 2024 that our current dividend policy will be to pay dividends to holders of our common stock in an annual aggregate amount of \$0.70 per share (or a quarterly dividend of \$0.175 per share) beginning with the dividend announced with the results of the quarter ended March 31, 2024. The declaration of dividends is subject to the discretion of our Board of Directors based on a number of factors, including KKR's future financial performance and other considerations that the Board of Directors deems relevant, and compliance with the terms of KKR & Co. Inc.'s certificate of incorporation and applicable law. For U.S. federal income tax purposes, any dividends we pay (including dividends on our preferred stock) generally will be treated as qualified dividend income for U.S. individual stockholders to the extent paid out of our current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. There can be no assurance that future dividends will be made as intended or at all or that any particular dividend policy for our common stock will be maintained. Furthermore, the declaration and payment of distributions by KKR Group Partnership and our other subsidiaries may also be subject to legal, contractual and regulatory restrictions, including restrictions contained in our debt agreements.

Since 2015, KKR has repurchased, or retired equity awards representing, a total of 92.8 million shares of common stock for \$2.6 billion, which equates to an average price of \$28.05 per share. For further information, see "Part II—Item 2—Unregistered Sales of Equity Securities and Use of Proceeds."

Contractual Obligations, Commitments and Contingencies

In the ordinary course of business, we and our consolidated funds and CFEs enter into contractual arrangements that may require future cash payments. Contractual arrangements include (1) commitments to fund the purchase of investments or other assets (including obligations to fund capital commitments as the general partner of our investment funds) or to fund collateral for derivative transactions or otherwise, (2) obligations arising under our senior notes, subordinated notes, and other indebtedness, (3) commitments by our capital markets business to underwrite transactions or to lend capital, (4) obligations arising under insurance policies written, (5) other contractual obligations, including servicing agreements with third-party administrators for insurance policy administration, and (6) commitments to fund the business, operations or investments of our subsidiaries. In addition, we may incur contingent liabilities for claims that may be made against us in the future. For more information about these contingent liabilities, please see Note 24 "Commitments and Contingencies" in our financial statements.

Off Balance Sheet Arrangements

We do not have any off-balance sheet financings or liabilities other than contractual commitments and other legal contingencies incurred in the normal course of our business.

Critical Accounting Policies and Estimates

The preparation of our financial statements in accordance with GAAP requires our management to make estimates and judgments that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of fees, capital allocation-based income (loss), expenses, investment income, and income taxes. Our management bases these estimates and judgments on available information, historical experience and other assumptions that we believe are reasonable under the circumstances. However, these estimates, judgments and assumptions are often subjective and may be impacted negatively based on changing circumstances or changes in our analyses. If actual amounts are ultimately different from those estimated, judged or assumed, revisions are included in the financial statements in the period in which the actual amounts become known. We believe our critical accounting policies could potentially produce materially different results if we were to change underlying estimates, judgments or assumptions.

For a further discussion about our critical accounting policies, see Note 2 "Summary of Significant Accounting Policies" in our financial statements included in this report.

Basis of Accounting

We consolidate the financial results of KKR Group Partnership and its consolidated entities, which include the accounts of our investment advisers, broker-dealers, Global Atlantic's insurance companies, the general partners of certain unconsolidated investment funds, general partners of consolidated investment funds and their respective consolidated investment funds and certain other entities including CFEs.

When an entity is consolidated, we reflect the accounts of the consolidated entity, including its assets, liabilities, revenues, expenses, investment income, cash flows and other amounts, on a gross basis. While the consolidation of an investment fund or entity does not have an effect on the amounts of Net Income Attributable to KKR or KKR's stockholders' equity that KKR reports, the consolidation does significantly impact the financial statement presentation under GAAP. This is due to the fact that the accounts of the consolidated entities are reflected on a gross basis while the allocable share of those amounts that are attributable to third parties are reflected as single line items. The single line items in which the accounts attributable to third parties are recorded are presented as noncontrolling interests on the consolidated statements of financial condition and net income (loss) attributable to noncontrolling interests on the consolidated statements of operations.

The presentations in the consolidated statement of financial condition and consolidated statement of operations reflect the significant industry diversification of KKR by its acquisition of Global Atlantic. Global Atlantic operates an insurance business, and KKR operates an asset management business, which manages the operations of the newly-formed Strategic Holdings segment (see Note 21 - "Segment Reporting"), each of which possess distinct characteristics. As a result, KKR developed a two-tiered approach for the financial statements presentation, where Global Atlantic's insurance operations are presented separately from KKR's asset management business. KKR believes that these separate presentations provide a more informative view of the consolidated financial position and results of operations than traditional aggregated presentations and that reporting Global Atlantic's insurance operations separately is appropriate given, among other factors, the relative significance of Global Atlantic's policy liabilities, which are not obligations of KKR (other than the insurance companies that issued them). If a traditional aggregate presentation were to be used, KKR would expect to eliminate or combine several identical or similar captions, which would condense the presentations, but would also reduce the level of information presented. KKR also believes that using a traditional aggregate presentation would result in no new line items compared to the two-tier presentation included in the financial statements in this report.

In the ordinary course of business, KKR's Asset Management business, Strategic Holdings segment and Global Atlantic enter into transactions with each other, which may include transactions pursuant to their investment management agreements and financing arrangements. The borrowings from these financing arrangements are non-recourse to KKR beyond the assets pledged to support such borrowings. All the investment management and financing arrangements amongst KKR segments are eliminated in consolidation.

All intercompany transactions and balances have been eliminated.

Consolidation

KKR consolidates all entities that it controls either through a majority voting interest or as the primary beneficiary of variable interest entities ("VIEs"). The following discussion is intended to provide supplemental information about how the application of consolidation principles impact our financial results, and management's process for implementing those principles including areas of significant judgment. For a detailed description of our accounting policy on consolidation, see Note 2 "Summary of Significant Accounting Policies" in our financial statements included in this report.

As part of its consolidation procedures, KKR evaluates: (1) whether it holds a variable interest in an entity, (2) whether the entity is a VIE, and (3) whether the KKR's involvement would make it the primary beneficiary. The determination that KKR holds a controlling financial interest in an investment vehicle significantly changes the presentation of our consolidated financial statements.

The assessment of whether we consolidate an investment vehicle we manage requires the application of significant judgment. These judgments are applied both at the time we become involved with an investment vehicle and on an ongoing basis and include, but are not limited to:

- Determining whether our management fees, carried interests or incentive fees represent variable interests - We make judgments as to whether the fees we earn are commensurate with the level of effort required for those fees and at market rates. In making this judgment, we consider, among other things, the extent of third party investment in the entity and the terms of any other interests we hold in the VIE.
- Determining whether a legal entity qualifies as a VIE - For those entities where KKR holds a variable interest, management determines whether each of these entities qualifies as a VIE and, if so, whether or not KKR is the primary beneficiary. The assessment of whether the entity is a VIE is generally performed qualitatively, which requires judgment. These judgments include: (a) determining whether the equity investment at risk is sufficient to permit the entity to finance its activities without additional subordinated financial support, (b) evaluating whether the equity holders, as a group, can make decisions that have a significant effect on the economic performance of the entity, (c) determining whether two or more parties' equity interests should be aggregated, and (d) determining whether the equity investors have proportionate voting rights to their obligations to absorb losses or rights to receive returns from an entity. Entities that do not qualify as VIEs are generally assessed for consolidation as voting interest entities. Under the voting interest entity model, KKR consolidates those entities it controls through a majority voting interest.
- Concluding whether KKR has an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE - As there is no explicit threshold in GAAP to define "potentially significant," we must apply judgment and evaluate both quantitative and qualitative factors to conclude whether this threshold is met.

Changes to these judgments could result in a change in the consolidation conclusion for a legal entity.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Investments and other financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

Level I

Pricing inputs are unadjusted, quoted prices in active markets for identical assets or liabilities as of the measurement date.

Level II

Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date, and fair value is determined through the use of models or other valuation methodologies.

Level III

Pricing inputs are unobservable for the financial instruments and include situations where there is little, if any, market activity for the financial instrument. The inputs into the determination of fair value require significant management judgment or estimation. The valuation of our Level III investments at March 31, 2024 represents management's best estimate of the amounts that we would anticipate realizing on the sale of these investments in an orderly transaction at such date.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Level III Valuation Methodologies

Our investments and financial instruments are impacted by various economic conditions and events outside of our control that are difficult to quantify or predict, which may have a significant impact on the valuation of our investments and, therefore, on the carried interest and investment income we realize. Additionally, a change in interest rates could have a significant impact on valuations.

Across the total Level III private equity investment portfolio (including core private equity investments), and including investments in both consolidated and unconsolidated investment funds, approximately 60% of the fair value is derived from investments that are valued based exactly 50% on market comparables and 50% on a discounted cash flow analysis. Less than 2% of the fair value of this Level III private equity investment portfolio (including core private equity investments) is derived from investments that are valued either based 100% on market comparables or 100% on a discounted cash flow analysis. As of March 31, 2024, the overall weights ascribed to the market comparables methodology, the discounted cash flow methodology, and a methodology based on pending sales for this portfolio of Level III private equity investments were 38%, 55%, and 7%, respectively.

There is inherent uncertainty involved in the valuation of Level III investments, and there is no assurance that, upon liquidation, KKR will realize the values reflected in our valuations. Our valuations may differ significantly from the values that would have been used had an active market for the investments existed, and it is reasonably possible that the difference could be material. See "Risk Factors" in our Annual Report and "—Business Environment" for more information on factors that may impact our business, financial performance, operating results and valuations.

Key unobservable inputs that have a significant impact on our Level III valuations as described above are included in Note 9 "Fair Value Measurements" in our financial statements.

Level III Valuation Process

The valuation process involved for Level III measurements is completed on a quarterly basis and is designed to subject the valuation of Level III investments to an appropriate level of consistency, oversight, and review.

For private equity and real asset investments classified as Level III, investment professionals prepare preliminary valuations based on their evaluation of financial and operating data, company specific developments, market valuations of comparable companies and other factors. KKR begins its procedures to determine the fair values of its Level III assets approximately one month prior to the end of a reporting period, and KKR follows additional procedures to ensure that its determinations of fair value for its Level III assets are appropriate as of the relevant reporting date. These preliminary valuations are reviewed by an independent valuation firm engaged by KKR to perform certain procedures in order to assess the reasonableness of KKR's valuations annually for all Level III private equity and real asset investments and quarterly for investments other than certain investments, which have values less than preset value thresholds and which in the aggregate comprise less than 1% of the total value of KKR's Level III private equity and real asset investments. The valuations of certain real asset investments are determined solely by independent valuation firms without the preparation of preliminary valuations by our investment professionals, and instead such independent valuation firms rely on valuation information available to it as a broker or valuation firm. For credit investments, an independent valuation firm is generally engaged by KKR to assist with the valuations of most investments classified as Level III. The valuation firm either provides a value, provides a valuation range from which KKR's investment professionals select a point in the range to determine the valuation, or performs certain procedures in order to assess the reasonableness of KKR's valuations. After reflecting any input from the independent valuation firm, the valuation proposals are submitted for review and approval by KKR's valuation committees. As of March 31, 2024, less than 4% of the total value of our Level III credit investments were not valued with the engagement of an independent valuation firm.

For Level III investments in Asset Management, KKR has a global valuation committee that is responsible for coordinating and implementing the firm's valuation process to ensure consistency in the application of valuation principles across portfolio investments and between periods. The global valuation committee is assisted by the asset class-specific valuation committees that exist for private equity (including core equity investments and certain impact investments), growth equity (including certain impact investments), real estate, energy, infrastructure and credit. The asset class-specific valuation committees are responsible for the review and approval of all preliminary Level III valuations in their respective asset classes on a quarterly basis. The members of these valuation committees are comprised of investment professionals, including the heads of each respective strategy, and professionals from business operations functions such as legal, compliance and finance, who are not primarily responsible for the management of the investments. All Level III valuations for investments in Asset Management are also subject to approval by the global valuation committee, which is comprised of senior employees including investment professionals and professionals from business operations functions, and includes KKR's Chief Financial Officer, Chief Legal Officer and General Counsel, and Chief Compliance Officer. When valuations are approved by the global valuation committee after reflecting any input from it, the valuations of Level III investments, as well as the valuations of Level I and Level II investments, are presented to the Audit Committee of the Board of Directors of KKR & Co. Inc. and are then reported to the Board of Directors.

Level III investments held by Global Atlantic are valued on the basis of pricing services, broker-dealers or internal models. Global Atlantic performs a quantitative and qualitative analysis and review of the information and prices received from independent pricing services as well as broker-dealers to verify that it represents a reasonable estimate of fair value. As of March 31, 2024, approximately 95% of these investments were priced via external sources, while approximately 5% were valued on the basis of internal models. For all the internally developed models, Global Atlantic seeks to verify the reasonableness of fair values by analyzing the inputs and other assumptions used. These preliminary valuations are reviewed, based on certain thresholds, by an independent valuation firm engaged by Global Atlantic to perform certain procedures in order to assess the reasonableness of Global Atlantic's valuations. When valuations are approved by Global Atlantic's management, the valuations of its Level III investments, as well as the valuations of Level I and Level II investments, are presented to the Audit Committee of the Board of Directors of KKR & Co. Inc. and are then reported to the Board of Directors.

As of March 31, 2024, upon completion by, where applicable, independent valuation firms of certain limited procedures requested to be performed by them on certain Level III investments, the independent valuation firms concluded that the fair values, as determined by KKR (including Global Atlantic), of those investments reviewed by them were reasonable. The limited procedures did not involve an audit, review, compilation or any other form of examination or attestation under generally accepted auditing standards and were not conducted on all Level III investments. We are responsible for determining the fair value of investments in good faith, and the limited procedures performed by an independent valuation firm are supplementary to the inquiries and procedures that we are required to undertake to determine the fair value of the commensurate investments.

As described above, Level II and Level III investments were valued using internal models with significant unobservable inputs, and our determinations of the fair values of these investments may differ materially from the values that would have resulted if readily observable inputs had existed. Additional external factors may cause those values, and the values of investments for which readily observable inputs exist, to increase or decrease over time, which may create volatility in our earnings and the amounts of assets and stockholders' equity that we report from time to time.

Changes in the fair value of investments impacts the amount of carried interest that is recognized as well as the amount of investment income that is recognized for investments held directly in Asset Management and through our consolidated funds as described below. We estimate that an immediate 10% decrease in the fair value of investments held directly and through consolidated investment funds generally would result in a commensurate change in the amount of net gains (losses) from investment activities for investments held directly and through investment funds and a more significant impact to the amount of carried interest recognized, regardless of whether the investment was valued using observable market prices or management estimates with significant unobservable pricing inputs. With respect to consolidated investment funds, the impact that the consequential decrease in investment income would have on net income attributable to KKR would generally be significantly less than the amount described above, given that a majority of the change in fair value of our consolidated funds would be attributable to noncontrolling interests and therefore we are only impacted to the extent of our carried interest and our balance sheet investments. With respect to Insurance, a decrease in investment income for certain assets where investment gains and losses are recognized through the statement of operations would impact KKR only to the extent of our economic ownership interest in Global Atlantic.

As of March 31, 2024, there were no investments (including in our new Strategic Holdings segment) which represented greater than 5% of total investments on a GAAP basis. Our investment income on a GAAP basis and our asset management segment assets can be impacted by volatility in the public markets related to our holdings of publicly traded securities, including our holdings of equity securities of Crescent Energy Holdings and BridgeBio Pharma, Inc. See "Risk Factors" in our Annual Report and "—Business Environment" for a discussion of factors that may impact the valuations of our investments, financial results, operating results and valuations, and "—Segment Balance Sheet Measures" for additional information regarding our largest holdings on a segment basis.

Business Combinations

KKR accounts for business combinations using the acquisition method of accounting, under which the purchase price of the acquisition is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date.

Management's determination of fair value of assets acquired and liabilities assumed at the acquisition date is based on the best information available in the circumstances and may incorporate management's own assumptions and involve a significant degree of judgment. We use our best estimates and assumptions to accurately assign fair value to the tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date as well as the useful lives of those acquired intangible assets. Examples of critical estimates in valuing certain of the intangible assets we have acquired include, but are not limited to, future expected cash inflows and outflows, future fundraising assumptions, expected useful life, discount rates and income tax rates. Our estimates for future cash flows are based on historical data, various internal estimates and certain external sources, and are based on assumptions that are consistent with the plans and estimates we are using to manage the underlying assets acquired. We estimate the useful lives of the intangible assets based on the expected period over which we anticipate generating economic benefit from the asset. We base our estimates on assumptions we believe to be reasonable but that are unpredictable and inherently uncertain. Unanticipated events and circumstances may occur that could affect the accuracy or validity of such assumptions, estimates or actual result.

Income Taxes

Significant judgment is required in estimating the provision for (benefit from) income taxes, current and deferred tax balances (including valuation allowance), accrued interest or penalties and uncertain tax positions. In evaluating these judgments, we consider, among other items, projections of taxable income (including the character of such income), beginning with historic results and incorporating assumptions of the amount of future pretax operating income. These assumptions about future taxable income require significant judgment and are consistent with the plans and estimates that KKR uses to manage its business. A portion of the deferred tax assets are not considered to be more likely than not to be realized. For that portion of the deferred tax assets for Global Atlantic, a valuation allowance has been recorded. Revisions in estimates or actual costs of a tax assessment may ultimately be materially different from the recorded accruals and unrecognized tax benefits, if any. Please see Note 18 "Income Taxes" in our financial statements in this report for further details.

Critical Accounting Policies and Estimates - Asset Management and Strategic Holdings

Revenues

Fees and Other

Fees and other consist primarily of (i) management and incentive fees from providing investment management services to unconsolidated funds, CLOs, other vehicles, and separately managed accounts; (ii) transaction fees earned in connection with successful investment transactions and from capital markets activities; (iii) monitoring fees from providing services to portfolio companies; (iv) expense reimbursements from certain investment funds and portfolio companies; and (v) consulting fees. These fees are based on the contractual terms of the governing agreements and are recognized when earned, which coincides with the period during which the related services are performed and in the case of transaction fees, upon closing of the transaction. Monitoring fees may provide for a termination payment following an initial public offering or change of control. These termination payments are recognized in the period when the related transaction closes.

Transaction fee calculations and management fee calculations based on committed capital or invested capital typically do not require discretion and therefore do not require the use of significant estimates or judgments. Management fee calculations based on net asset value depend on the fair value of the underlying investments within the investment vehicles. Estimates and assumptions are made when determining the fair value of the underlying investments within the funds and could vary depending on the valuation methodology that is used as well as economic conditions.

Capital Allocation-Based Income (Loss)

Capital allocation-based income (loss) is earned from those arrangements whereby KKR serves as general partner and includes income or loss from KKR's capital interest as well as "carried interest" which entitles KKR to a disproportionate allocation of investment income or loss from an investment fund's limited partners.

Carried interest is recognized upon appreciation of the funds' investment values above certain return hurdles set forth in their partnership agreement. KKR recognizes revenues attributable to capital allocation-based income based upon the amount that would be due pursuant to the fund partnership agreement at each period end as if the funds were terminated at that date. Accordingly, the amount recognized reflects KKR's share of the gains and losses of the associated funds' underlying investments measured at their then-current fair values relative to the fair values as of the end of the prior period. Because of the inherent uncertainty in measuring the fair value of investments in the absence of observable market prices as previously discussed, these estimated values may differ significantly from the values that would have been used had a ready market for the investments existed, and it is reasonably possible that the difference could be material.

Expenses

Compensation and Benefits

Compensation and Benefits expense includes (i) base cash compensation consisting of salaries and wages, (ii) benefits, (iii) carry pool allocations, (iv) equity-based compensation and (v) discretionary cash bonuses.

To supplement base cash compensation, benefits, carry pool allocations, and equity-based compensation, we typically pay discretionary cash bonuses, which are included in Compensation and Benefits expense in the consolidated statements of operations, based principally on the level of (i) management fees and other fee revenues (including incentive fees), (ii) realized carried interest and (iii) realized investment income earned during the year. The amounts paid as discretionary cash bonuses, if any, are at our sole discretion and vary from individual to individual and from period to period, including having no cash bonus. We accrue discretionary cash bonuses when payment becomes probable and reasonably estimable which is generally in the period when we make the decision to pay discretionary cash bonuses and is based upon a number of factors, including the recognition of fee revenues, realized carried interest, realized investment income and other factors determined during the year.

Beginning in 2021, we expect to pay our employees by assigning a percentage range to each component of asset management segment revenues. Prior to January 1, 2024, based on the current components and blend of our asset management segment revenues on an annual basis, we expected to use approximately: (i) 20-25% of fee related revenues, (ii) 60-70% of realized carried interest and incentive fees not included in fee related performance revenues or earned from our hedge fund partnerships, and (iii) 10-20% of realized investment income and hedge fund partnership incentive fees, to pay our asset management employees. Beginning in January 2024, we expect to use approximately: (i) 15%-20% of fee related revenues, (ii) 70%-80% of realized carried interest and incentive fees not included in fee related performance revenues or earned from our hedge fund partnerships, and (iii) 10%-20% of realized investment income and hedge fund partnership incentive fees, to pay our asset management employees. Because these ranges are applied to applicable asset management segment revenue components independently, and on an annual basis, the amount paid as a percentage of total asset management segment revenue will vary and will, for example, likely be higher in a period with relatively higher realized carried interest and lower in a period with relatively lower realized carried interest. We decide whether to pay a discretionary cash bonus and determine the percentage of applicable revenue components to pay compensation only upon the occurrence of the realization event. There is no contractual or other binding obligation that requires us to pay a discretionary cash bonus to the asset management employees, except in limited circumstances.

Carry Pool Allocation

With respect to our funds that provide for carried interest, we allocate a portion of the realized and unrealized carried interest that we earn to Associates Holdings, which we refer to as the carry pool, from which our asset management employees and certain other carry pool participants are eligible to receive a carried interest allocation. The allocation is determined based upon a fixed arrangement between Associates Holdings and us, and we do not exercise discretion on whether to make an allocation to the carry pool upon a realization event. We refer to the portion of carried interest that we allocate to the carry pool as the carry pool percentage.

As of December 31, 2023, the carry pool percentage was fixed at 40%, 43% or 65% by investment fund, depending on the fund's vintage. For funds that closed after December 31, 2020 but before December 31, 2023, the carry pool percentage was fixed at 65%. For funds that closed after June 30, 2017 but before December 31, 2020, the carry pool percentage was fixed at 43%, and the carry pool percentage was fixed at 40% for older funds that contributed to KKR's carry pool. Effective January 2, 2024, KKR is authorized to apply a carry pool percentage in excess of these fixed percentages of up to 80% for all funds.

This increase to the carry pool percentage was approved by a majority of KKR's independent directors, and the carry pool percentage may not be increased above 80% without the further approval of a majority of KKR's independent directors. For funds that closed after December 31, 2023, the carry pool percentage is fixed at 80%. For funds that closed prior to December 31, 2023, the carry pool percentage is calculated at a fixed percentage of 40%, 43% or 65% (depending on the fund's vintage) for carried interest realized up to a high water mark, which was established based on the unrealized carried interest balance that existed on January 2, 2024, plus an additional percentage amount up to 80% based on a formulaic allocation, only if the unrealized carried interest balance at any period end exceeds the high water mark. This imposes a limitation of the carry pool allocation for such funds based on the amount of cumulative unrealized carried interest income earned subsequent to December 31, 2023.

For funds that closed before December 31, 2023, if the cumulative carried interest subsequent to December 31, 2023 is not sufficient to fund this formulaic allocation, the allocation of earnings reverts to the carry pool percentage in effect before this modification. As such, upon modification of the carry pool percentage effective on January 2, 2024, the cumulative unrealized carried interest was not sufficient to fund the additional formulaic allocation percentage in excess of the pre-existing 40%, 43% and 65% carry pool percentages, and therefore no incremental expense was recognized as of such date. The carry pool percentage applicable for all funds that closed prior to December 31, 2023 will not be less than their applicable carry pool percentages of 40%, 43% or 65% prior to December 31, 2023, and will not be more than 80%. The intent of this modification is that for all funds that closed prior to January 2, 2024, upon the final liquidation of each fund, realized carried interest distributed will equal the historical fund carry pool allocations up to the high water mark and only distributions of realized carried interest in excess of the high water mark will be distributed at 80 percent if and only if the unrealized carried interest balance at any period end exceeds the high water mark. Under no circumstance would a distribution of carried interest exceed 80% of the total allocable carried interest at any time.

KKR accounts for the carry pool as a compensatory profit-sharing arrangement in Accrued Expenses and Other Liabilities within the accompanying consolidated statements of financial condition in conjunction with the related carried interest income and it is recorded as compensation expense. The liability that is recorded in each period reflects the legal entitlement of Associates Holdings at each point in time should the total unrealized carried interest be realized at the value recorded at each reporting date. Upon a reversal of carried interest income, the related carry pool allocation, if any, is also reversed. Accordingly, such compensation expense is subject to both positive and negative adjustments.

As disclosed above, we record compensation for our asset management employees in an amount that equates to 70-80% of realized carried interest and incentive fees which are not included in fee related performance revenues or earned from our hedge fund partnerships. The amounts recorded as compensation for the three months ended March 31, 2024 and certain prior periods are greater than the amounts allocated to the carry pool for those periods. Any amounts recorded as compensation that are higher than the amounts allocated in accordance with the percentages referenced above represent discretionary cash bonus compensation to our asset management employees. The amounts paid as discretionary cash bonuses, if any, are at our discretion and vary from individual to individual and from period to period, including having no cash bonus at all for certain employees. See "—Revenues—Capital Allocation-Based Income (Loss)" and "—Compensation and Benefits" above.

On the Sunset Date (which will not be later than December 31, 2026), KKR will acquire control of Associates Holdings and will commence making decisions regarding the allocation of the carry proceeds pursuant to the limited partnership agreement of Associates Holdings. Until the Sunset Date, our Co-Founders will continue to make decisions regarding the allocation of the carry proceeds to themselves and others, pursuant to the limited partnership agreement of Associates Holdings, provided that any allocation of carry proceeds to the Co-Founders will be on a percentage basis consistent with past practice. For additional information about the Sunset Date and the Reorganization Agreement, see Note 1 "Organization" in our financial statements included in this report.

Equity-based Compensation

In addition to the cash-based compensation and carry pool allocations as described above, employees receive equity awards under our Equity Incentive Plans, most of which are subject to service-based vesting typically over a three to five-year period from the date of grant, and some of which are also subject to the achievement of market-based conditions. Certain of these awards are subject to post-vesting transfer restrictions and minimum retained ownership requirements.

Compensation expense relating to the issuance of equity-based awards is measured at fair value on the grant date. In determining the aggregate fair value of any award grants, we make judgments as to the grant-date fair value, particularly for certain restricted units with a vesting condition based upon market conditions, whose grant date fair values are based on a probability distributed Monte-Carlo simulation. See Note 19 "Equity Based Compensation," in our financial statements included in this report for further discussion and activity of these awards.

Investment Income (Loss) -Net Gains (Losses) from Investment Activities

Net gains (losses) from investment activities consist of realized and unrealized gains and losses arising from our investment activities as well as income earned from certain equity method investments. Fluctuations in net gains (losses) from investment activities between reporting periods is driven primarily by changes in the fair value of our investment portfolio as well as the realization of investments. The fair value of, as well as the ability to recognize gains from, our investments is significantly impacted by the global financial markets, which, in turn, affects the net gains (losses) from investment activities recognized in any given period. Upon the disposition of an investment, previously recognized unrealized gains and losses are reversed and an offsetting realized gain or loss is recognized in the current period. Since our investments are carried at fair value, fluctuations between periods could be significant due to changes to the inputs to our valuation process over time. For a further discussion of our fair value measurements and fair value of investments, see above "—Critical Accounting Policies and Estimates—Fair Value Measurements."

Critical Accounting Policies and Estimates – Insurance

Policy liabilities

Policy liabilities, or collectively, "reserves," are the portion of past premiums or assessments received that are set aside to meet future policy and contract obligations as they become due. Interest accrues on the reserves and on future premiums, which may also be available to pay for future obligations. Global Atlantic establishes reserves to pay future policy benefits, claims, and certain expenses for its life policies and annuity contracts.

Global Atlantic's reserves are estimated based on models that include many actuarial assumptions and projections. These assumptions and projections, which are inherently uncertain, involve significant judgment, including assumptions as to the levels and/or timing of premiums, benefits, claims, expenses, interest credits, investment results (including equity market returns), mortality, longevity, and persistency.

The assumptions on which reserves are based are intended to represent an estimation of experience for the period that policy benefits are payable. Global Atlantic reviews the adequacy of its reserves and the assumptions underlying those reserves at least annually. Global Atlantic cannot, however, determine with precision the amount or the timing of actual benefit payments. If actual experience is better than or equal to the assumptions, then reserves would be adequate to provide for future benefits and expenses. If experience is worse than the assumptions, additional reserves may be required to meet future policy and contract obligations. This would result in a charge to Global Atlantic's net income during the period in which excess benefits are paid or an increase in reserves occurs.

For a majority of Global Atlantic's in-force policies, including its interest-sensitive life policies and most annuity contracts, the base policy reserve is equal to the account value. For these products, the account value represents Global Atlantic's obligation to repay to the policyholder the amounts held with Global Atlantic on deposit. However, there are several significant blocks of business where policy reserves, in addition to the account value, are explicitly calculated, including variable annuities, fixed-indexed annuities, interest-sensitive life products (including those with secondary guarantees), and preneed policies.

Market risk benefits

Market risk benefits are contracts or contract features that both provide protection to the policyholder from other-than-nominal capital market risk and expose Global Atlantic to other-than-nominal capital market risk. Market risk benefits include certain contract features on fixed annuity and variable annuity products, including minimum guarantees to policyholders, such as guaranteed minimum death benefits (GMDBs), guaranteed minimum withdrawal benefits (GMWBs), and long-term care benefits (which are capped at the return of account value plus one or two times the account value).

Some of Global Atlantic's variable annuity and fixed-indexed annuity contracts contain a GMDB feature that provides a guarantee that the benefit received at death will be no less than a prescribed minimum amount, even if the account balance is reduced to zero. This amount is based on either the net deposits paid into the contract, the net deposits accumulated at a specified rate, the highest historical account value on a contract anniversary, or sometimes a combination of these values. If the GMDB is higher than the current account value at the time of death, Global Atlantic incurs a cost equal to the difference.

Global Atlantic issues fixed-indexed annuity and variable annuity contracts with a guaranteed minimum withdrawal feature. GMWB are an optional benefit where the contract owner is entitled to withdraw a maximum amount of their benefit base each year.

Once exercised, living benefit features provide annuity policyholders with a minimum guaranteed stream of income for life. A policyholder's annual income benefit is generally based on an annual withdrawal percentage multiplied by the benefit base. The benefit base is defined in the policy and is generally the initial premium, reduced by any partial withdrawals and increased by a defined percentage, formula or index credits. Any living benefit payments are first deducted from the account value. Global Atlantic is responsible for paying any excess guaranteed living benefits still owed after the account value has reached zero.

The ultimate cost of these benefits will depend on the level of market returns and the level of contractual guarantees, as well as policyholder behavior, including surrenders, withdrawals, and benefit utilization. For Global Atlantic's fixed-indexed annuity products, costs also include certain non-guaranteed terms that impact the ultimate cost, such as caps on crediting rates that Global Atlantic can, in its discretion, reset annually.

See Note 17 — "Policy liabilities" in our financial statements for additional information.

As of March 31, 2024, the net market risk liability balance totaled \$1.0 billion. As of March 31, 2024, the liability balances for market risk benefits were \$836.2 million for fixed-indexed annuities and \$174.0 million for variable and other annuities. The increase (decrease) to the net market risk benefit liability balance as a result of hypothetical changes in interest rates, instrument-specific credit risk, equity market prices, expected mortality, and expected surrenders are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

	As of March 31, 2024	
	Fixed-indexed annuity	Other
(\$ in thousands)		
Balance	\$ 836,182	\$ 174,020
Hypothetical change:		
+50 bps interest rates	(127,909)	(46,500)
-50 bps interest rates	143,032	51,822
+50 bps instrument-specific credit risk	(122,803)	(23,852)
-50 bps instrument-specific credit risk	136,906	26,283
+10% equity market prices	(50,777)	(48,996)
-10% equity market prices	33,558	55,898
95% of expected mortality	40,248	5,623
105% of expected mortality	(37,938)	(4,967)
90% of expected surrenders	22,943	2,622
110% of expected surrenders	(21,837)	(2,533)

Note: Hypothetical changes to the market risk benefits liability balance do not reflect the impact of related hedges.

Policy liabilities accounted for under a fair value option

Variable annuity contracts offered and assumed by Global Atlantic provide the contractholder with a GMDB. The liabilities for these benefits are included in policy liabilities. Global Atlantic elected the fair value option to measure the liability for certain of these variable annuity contracts valued at \$314.5 million as of March 31, 2024. Fair value is calculated as the present value of the estimated death benefits less the present value of the GMDB fees, using 1,000 risk neutral scenarios. Global Atlantic discounts the cash flows using the U.S. Treasury rates plus an adjustment for instrument-specific credit risk in the consolidated statement of financial condition. The change in the liabilities for these benefits is included in policy benefits and claims in the consolidated statement of operations.

As of March 31, 2024, variable annuities accounted for using the fair value option totaled \$314.5 million. The increase (decrease) in the reserves for variable annuities accounted for using the fair value option as a result of hypothetical changes in interest rates, instrument-specific credit risk, equity market prices, expected mortality, and expected surrenders are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

	As of March 31, 2024
	Variable annuities
(\$ in thousands)	
Balance	\$ 314,510
Hypothetical change:	
+50 bps interest rates	(20,606)
-50 bps interest rates	22,343
+50 bps instrument-specific credit risk	(13,312)
-50 bps instrument-specific credit risk	13,809
+10% equity market prices	(16,126)
-10% equity market prices	18,753
95% of expected mortality	(5,231)
105% of expected mortality	4,996
90% of expected surrenders	676
110% of expected surrenders	(670)

Note: Hypothetical changes to the liability balances do not reflect the impact of related hedges.

Liability for future policyholder benefits

A liability for future policy benefits, which is the present value of estimated future policy benefits to be paid to or on behalf of policyholders and certain related expenses less the present value of estimated future net premiums to be collected from policyholders, is accrued as premium revenue is recognized. The liability is estimated using current assumptions that include mortality, morbidity, lapses, and expenses. These current assumptions are based on judgments that consider Global Atlantic's historical experience, industry data, and other factors, and are updated quarterly and the current period change in the liability is recognized as a separate component of benefit expense in the consolidated income statement.

As of March 31, 2024, the liability for future policy benefits totaled \$9.8 billion, net of reinsurance, split between \$8.1 billion associated with payout annuity products, and \$1.7 billion of life and other insurance products (including assumed long-term care insurance where we retroceded mortality and morbidity risks to a third-party reinsurer.) The increase (decrease) as a result of hypothetical changes in interest rates, credit spreads, expected mortality, and expected surrenders and lapses are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

	As of March 31, 2024	
	Payout annuities	Other
(\$ in thousands)		
Balance	\$ 8,138,775	\$ 1,691,519
Hypothetical change:		
+50 bps interest rates	(162,767)	(329,112)
-50 bps interest rates	175,488	355,580
+50 bps credit spreads	(135,548)	(331,732)
-50 bps credit spreads	140,878	352,680
95% of expected mortality ⁽¹⁾	61,576	32,312
105% of expected mortality ⁽¹⁾	(58,383)	(30,745)
90% of expected surrenders/lapses	—	(2,132)
110% of expected surrenders/lapses	—	1,728

Note: Hypothetical changes to the liability for future policy benefits balance do not reflect the impact of related hedges.

(1) Includes decrements for terminations of disability insurance

Additional liability for annuitization, death, or other insurance benefits: no-lapse guarantees

Global Atlantic has in-force interest-sensitive life contracts where it provides a secondary guarantee to the policyholder. The policy can remain in-force, even if the base policy account value is zero, as long as contractual secondary guarantee requirements have been met. The primary risk to Global Atlantic is that the premium collected under these policies, together with the investment return Global Atlantic earns on that premium, is ultimately insufficient to pay the policyholder's benefits and the expenses associated with issuing and administering these policies. Global Atlantic holds an additional reserve in connection with these guarantees.

The additional reserves related to interest-sensitive life products with secondary guarantees are calculated using methods similar to those described above under “—Critical Accounting Policies and Estimates - Insurance—Policy liabilities—Market risk benefits.” The costs related to these secondary guarantees are recognized over the life of the contracts through the accrual and subsequent release of a reserve which is revalued each period. The reserve is calculated based on assessments, over a range of economic scenarios to incorporate the variability in the obligation that may occur under different environments. The change in the reserve is included in policy benefits and claims in the consolidated statements of operations.

As of March 31, 2024, the additional liability balance of primarily interest-sensitive life totaled \$5.8 billion, net of reinsurance. The increase (decrease) to the additional liability balance, as a result of hypothetical changes in interest rates, equity market prices, annual equity growth, expected mortality, and expected surrenders are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of the interest-sensitive life no-lapse guarantee liability balance.

	As of March 31, 2024
	Interest-sensitive life
(\$ in thousands)	
Balance	\$ 5,753,043
Hypothetical change:	
+50 bps interest rates	488
-50 bps interest rates	(504)
+10% equity market prices	(624)
-10% equity market prices	(54)
1% lower annual equity growth	(3,710)
95% of expected mortality	(33,279)
105% of expected mortality	32,850
90% of expected surrenders	23,913
110% of expected surrenders	(22,763)

Note: Hypothetical changes to the interest-sensitive life additional liability for annuitization, death, or other insurance benefits balance do not reflect the impact of related hedges.

Embedded derivatives in policy liabilities and funds withheld

Global Atlantic's fixed-indexed annuity, variable annuity and indexed universal life products contain equity-indexed features, which are considered embedded derivatives and are required to be measured at fair value.

Global Atlantic calculates the embedded derivative as the present value of future projected benefits in excess of the projected guaranteed benefits, using an option budget as the indexed account value growth rate. In addition, the fair value of the embedded derivative is reduced to reflect instrument specific credit risk on Global Atlantic's obligation (i.e. Global Atlantic's own credit risk).

Changes in interest rates, future index credits, instrument-specific credit risk, projected withdrawal and surrender activity, and mortality on fixed-indexed annuity and interest-sensitive life products can have a significant impact on the value of the embedded derivative.

Valuation of embedded derivatives – Fixed-indexed annuities

Fixed-indexed annuity contracts allow the policyholder to elect a fixed interest rate of return or a market indexed strategy where interest credited is based on the performance of an index, such as the S&P 500 Index, or other indexes. The market indexed strategy is an embedded derivative, similar to a call option. The fair value of the embedded derivative is computed as the present value of benefits attributable to the excess of the projected policy contract values over the projected minimum guaranteed contract values. The projections of policy contract values are based on assumptions for future policy growth, which include assumptions for expected index credits, future equity option costs, volatility, interest rates, and policyholder behavior. The projections of minimum guaranteed contract values include the same assumptions for policyholder behavior as are used to project policy contract values. The embedded derivative cash flows are discounted using a risk-free interest rate increased by instrument-specific credit risk tied to Global Atlantic's own credit rating.

Valuation of embedded derivatives – Interest-sensitive life products

Interest-sensitive life products allow a policyholder's account value to grow based on the performance of certain equity indexes, which results in an embedded derivative similar to a call option. The embedded derivative related to the index is bifurcated from the host contract and measured at fair value. The valuation of the embedded derivative is the present value of future projected benefits in excess of the projected guaranteed benefits, using the option budget as the indexed account value growth rate and the guaranteed interest rate as the guaranteed account value growth rate. Present values are based on discount rate curves determined at the valuation date or issue date as well as assumed lapse and mortality rates. The discount rate equals the forecast treasury rate increased by instrument-specific credit risk tied to Global Atlantic's own credit rating. Changes in discount rates and other assumptions such as spreads and/or option budgets can have a substantial impact on the embedded derivative.

Valuation of embedded derivatives in modified coinsurance or funds withheld

Global Atlantic's reinsurance agreements include modified coinsurance and coinsurance with funds withheld arrangements that include terms that require payment by the ceding company of a principal amount plus a return that is based on a proportion of the ceding company's return on a designated portfolio of assets. Because the return on the funds withheld receivable or payable is not clearly and closely related to the host insurance contract, these contracts are deemed to contain embedded derivatives, which are measured at fair value. Global Atlantic is exposed to both the interest rate and credit risk of the assets. Changes in discount rates and other assumptions can have a significant impact on this embedded derivative. The fair value of the embedded derivatives is included in the funds withheld receivable at interest and funds withheld payable at interest line items on our consolidated statement of financial condition. The change in the fair value of the embedded derivatives is recorded in net investment-related gains (losses) in the consolidated statement of operations.

As of March 31, 2024, the embedded derivative liability balance totaled \$4.1 billion for fixed-indexed annuities, and \$486.2 million for interest-sensitive life. The increase (decrease) to the embedded derivatives on fixed-indexed annuity and indexed universal life as a result of hypothetical changes in interest rates, credit spreads, and equity market prices are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

	As of March 31, 2024	
	Fixed-indexed annuities	Interest sensitive life
(\$ in thousands)		
Balance	\$ 4,051,405	\$ 486,199
Hypothetical change:		
+50 bps interest rates	(74,733)	(4,446)
-50 bps interest rates	77,826	4,632
+50 bps credit spreads	(94,256)	(4,446)
-50 bps credit spreads	97,847	4,632
+10% equity market prices	459,728	24,997
-10% equity market prices	(371,267)	(64,568)

Note: Hypothetical changes to the market risk benefits liability balance do not reflect the impact of related hedges.

As of March 31, 2024, the embedded derivative balance for modified coinsurance or funds withheld arrangements was a \$2.7 billion net asset (\$114.0 million in funds withheld receivables at interest, and \$(2.5) billion in funds withheld payable at interest). The increase (decrease) to the embedded derivatives on fixed-indexed annuity and interest-sensitive life products as a result of hypothetical changes in interest rates and investment credit spreads are summarized in the table below. This sensitivity considers the direct effect of such changes only and not changes in any other assumptions used in or items considered in the measurement of such balances.

	As of March 31, 2024	
	Embedded derivative on funds withheld receivable	Embedded derivative on funds withheld payable
(\$ in thousands)		
Balance	\$ 113,991	\$ (2,542,744)
Hypothetical change:		
+50 bps interest rates	(12,724)	(1,370,569)
-50 bps interest rates	18,214	1,476,541
+50 bps investment credit spreads	(37,395)	(1,043,461)
-50 bps investment credit spreads	37,395	1,149,433

Note: Hypothetical changes to the funds withheld receivable and payable embedded derivative balances do not reflect the impact of related hedges or trading assets which back the funds withheld at interest.

Recently Issued Accounting Pronouncements

For a full discussion of recently issued accounting pronouncements, see Note 2 "Summary of Significant Accounting Policies" in our financial statements included in this report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

There was no material change to our market risks during the three months ended March 31, 2024. For a discussion of our market risks in general, please refer to our Annual Report on Form 10-K for the year ended December 31, 2023. In addition, for a discussion of current market conditions and uncertainties, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Environment."

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that the information required to be disclosed by us in the reports filed or submitted by us under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and such information is accumulated and communicated to management, including the Co-Chief Executive Officers and the Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurances of achieving the desired control objectives.

We carried out an evaluation, under the supervision and with the participation of our management, including the Co-Chief Executive Officers and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2024. Based upon that evaluation, our Co-Chief Executive Officers and Chief Financial Officer have concluded that, as of March 31, 2024, our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

No changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act) occurred during the quarter ended March 31, 2024 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

For a discussion of KKR's legal proceedings, see the section entitled "Legal Proceedings" appearing in Note 24 "Commitments and Contingencies" in our financial statements included elsewhere in this report, which is incorporated herein by reference.

ITEM 1A. RISK FACTORS.

Other than as set forth in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Business Environment" in this report, there were no material changes to the risk factors disclosed in our Annual Report.

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

Share Repurchases in the First Quarter of 2024

Under our current share repurchase program, KKR is authorized to repurchase its common stock from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing, manner, price and amount of any common stock repurchases will be determined by KKR in its discretion and will depend on a variety of factors, including legal requirements, price and economic and market conditions. KKR expects that the program, which has no expiration date, will continue to be in effect until the maximum approved dollar amount has been used. The program does not require KKR to repurchase any specific number of shares of common stock, and the program may be suspended, extended, modified or discontinued at any time. In addition to the repurchases of common stock described above, the repurchase program is used for the retirement (by cash settlement or the payment of tax withholding amounts upon net settlement) of equity awards issued pursuant to our Equity Incentive Plans representing the right to receive shares of common stock.

As of April 26, 2024, there is approximately \$101 million remaining under KKR's share repurchase program.

The table below sets forth the information with respect to repurchases made by or on behalf of KKR & Co. Inc. or any "affiliated purchaser" (as defined in Rule 10b-18(a)(3) under the Exchange Act) of our common stock for the periods presented. During the first quarter of 2024, no shares of common stock were repurchased, and no equity awards were retired.

Issuer Purchases of Common Stock

(amounts in thousands, except share and per share amounts)

							Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs				
Month #1 (January 1, 2024 to January 31, 2024)	—	\$ —	—	\$			193,999
Month #2 (February 1, 2024 to February 29, 2024)	—	\$ —	—	\$			193,999
Month #3 (March 1, 2024 to March 31, 2024)	—	\$ —	—	\$			193,999
Total through March 31, 2024	—		—	\$			193,999

(1) Subsequent to March 31, 2024, the share repurchase program has been amended such that when the remaining available amount under the share repurchase program becomes \$50 million or less, the total available amount under the share repurchase program will automatically add an additional \$500 million to the then remaining available amount of \$50 million or less.

Unregistered Sales of Equity Securities

On March 27, 2024, we issued 5,379 shares of our common stock to one of our fund investors in connection with an arrangement related to the fees paid by such fund investor with respect to its investment. The shares were issued pursuant to Section 4(a)(2) of the Securities Act, exempting issuances by an issuer not involving a public offering.

On January 2, 2024, 2,631,212 restricted holdings units were issued through KKR Holdings III L.P. to certain Global Atlantic employees who previously owned equity interests in TGAFG pursuant to which each unit is exchangeable into one share of our common stock, in accordance with the terms of the applicable agreement and the Company's policies on exchanges. A majority of these units are subject to vesting provisions, and a portion of these units are subject to forfeiture provisions. These units were issued pursuant to Section 4(a)(2) of the Securities Act, exempting issuances by an issuer not involving a public offering.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

Not applicable.

ITEM 6. EXHIBITS.

The following is a list of all exhibits filed or furnished as part of this report:

Exhibit No.	Description of Exhibit
2.1	Merger Agreement, dated as of November 28, 2023, by and among KKR Magnolia Holdings LLC, Sweetbay Merger Sub LLC and The Global Atlantic Financial Group LLC (incorporated by reference to Exhibit 2.1 to KKR & Co. Inc.'s Current Report on Form 8-K filed on November 29, 2023).
3.1	Amended and Restated Certificate of Incorporation of KKR & Co. Inc. (formerly KKR Aubergine Inc.) (incorporated by reference to Exhibit 3.1 to the KKR & Co. Inc. Current Report on Form 8-K12B filed on May 31, 2022).
3.2	Amended and Restated Bylaws of KKR & Co. Inc. (formerly KKR Aubergine Inc.) (incorporated by reference to Exhibit 3.2 to the KKR & Co. Inc. Current Report on Form 8-K12B filed on May 31, 2022).
10.1 †	Fourth Amended and Restated 5-Year Revolving Credit Agreement, dated as of April 4, 2024, among KKR Capital Markets Holdings L.P., certain subsidiaries of KKR Capital Markets Holdings L.P., Mizuho Bank, Ltd., as administrative agent, and the one or more lenders party thereto.
10.2 †	364-Day Revolving Credit Agreement, dated as of April 4, 2024, among KKR Capital Markets Holdings L.P., certain subsidiaries of KKR Capital Markets Holdings L.P., Mizuho Bank Ltd., as administrative agent, and the one or more lenders party thereto.
10.3 †	Credit Agreement, dated as of May 7, 2024, among Global Atlantic Limited (Delaware), Global Atlantic (Fin) Company, the Guarantors party thereto from time to time, the Lenders from time to time party thereto, Wells Fargo Bank, N.A., as Administrative Agent, and the other agents and arrangers party thereto.
31.1	Certification of Co-Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Co-Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.3	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.3	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	Interactive data files pursuant to Rule 405 of Regulation S-T, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) the Condensed Consolidated Statements of Financial Condition as of March 31, 2024 and December 31, 2023, (ii) the Condensed Consolidated Statements of Operations for the three months ended March 31, 2024 and March 31, 2023, (iii) the Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2024 and March 31, 2023; (iv) the Condensed Consolidated Statements of Changes in Equity for the three months ended March 31, 2024 and March 31, 2023, (v) the Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2024 and March 31, 2023, and (vi) the Notes to the Condensed Consolidated Financial Statements.
104	Cover page interactive data file, formatted in Inline XBRL and contained in Exhibit 101.

† Certain information contained in this agreement has been omitted because it is not material and is the type that the registrant treats as private or confidential.

The registrant hereby agrees to furnish to the SEC at its request copies of long-term debt instruments defining the rights of holders of outstanding long-term debt that are not required to be filed herewith.

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

SIGNATURES

Pursuant to 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.

KKR & CO. INC.

By:

/s/ ROBERT H. LEWIN

Robert H. Lewin

Chief Financial Officer

(principal financial and accounting officer)

DATE: May 9, 2024

CERTAIN INFORMATION, IDENTIFIED BY, AND REPLACED WITH, A MARK OF “[**]” HAS BEEN EXCLUDED FROM THIS DOCUMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

\$750,000,000

FOURTH AMENDED AND RESTATED 5-YEAR REVOLVING CREDIT AGREEMENT

Dated as of April 4, 2024

Among

**KKR CAPITAL MARKETS HOLDINGS L.P.,
KKR CORPORATE LENDING LLC,
KKR CORPORATE LENDING (CA) LLC,
KKR CORPORATE LENDING (TN) LLC**
and
KKR CORPORATE LENDING (UK) LLC
as Borrowers,

THE LENDERS PARTY HERETO

and

MIZUHO BANK, LTD.,
as Administrative Agent

MIZUHO BANK, LTD.,
as Sole Lead Arranger and Sole Bookrunner

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EXHIBITS

Exhibit A	Form of Note
Exhibit B	Form of Fourth Amended and Restated Guarantee and Security Agreement
Exhibit C	Form of Notice of Borrowing
Exhibit D	Form of Assignment and Assumption
Exhibit E-1	Form of Tax Statement for Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes
Exhibit E-2	Form of Tax Statement for Non-U.S. Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes
Exhibit E-3	Form of Tax Statement for Non-U.S. Participants That Are Partnerships For U.S. Federal Income Tax Purposes
Exhibit E-4	Form of Tax Statement for Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes
Exhibit F	Form of Additional Borrower Joinder Agreement

FOURTH AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT dated as of April 4, 2024 (as further amended or otherwise modified from time to time, this "Agreement") among KKR CAPITAL MARKETS HOLDINGS L.P., a Delaware limited partnership ("KCMH"), KKR CORPORATE LENDING LLC, a Delaware limited liability company ("KCL U.S."), KKR CORPORATE LENDING (CA) LLC, a Delaware limited liability company ("KCL C.A."), KKR CORPORATE LENDING (TN) LLC, a Delaware limited liability company ("KCL T.N.") and KKR CORPORATE LENDING (UK) LLC, a Delaware limited liability company ("KCL U.K."; KCMH, KCL U.S., KCL C.A., KCL T.N. and KCL U.K. and any Additional Borrower are collectively referred to herein as the "Borrowers" and individually sometimes as a "Borrower"), each of the Lenders (as defined below), and MIZUHO BANK, LTD., as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

WHEREAS, KCMH, the Existing Lenders (as defined below) and the Administrative Agent are parties to the Existing Credit Agreement (as defined below); and

WHEREAS, the Borrowers have requested, and the Lenders have consented to, the amendment and restatement of the Existing Credit Agreement upon the terms and subject to the conditions set forth herein.

NOW THEREFORE, effective as of the Closing Date, the Existing Credit Agreement is hereby amended and restated in its entirety, and the parties hereto hereby agree, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms shall have the following respective meanings:

"364-Day Credit Agreement" means that certain 364-Day Revolving Credit Agreement dated April 4, 2024, among KCMH, KCL U.S., KCL C.A., KCL T.N., KCL U.K., MHC B as administrative agent and the lenders party thereto, as from time to time amended, modified, supplemented, refinanced or replaced.

"ABR" means a fluctuating interest rate per annum which shall at any time be the higher of:

- (a) 1/2 of 1.00% per annum above the Federal Funds Rate; and
- (b) Term SOFR for a one-month tenor in effect on such day plus 1.00%.

Any change in the ABR due to a change in the Federal Funds Rate or Term SOFR shall be effective from and including the effective date of such change in the Federal Funds Rate or Term SOFR, respectively.

"ABR Loan" means, at any time, a Loan which bears interest at rates based upon the ABR.

"ABR Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"Additional Borrower" shall mean any Person who shall from time to time after the Closing Date become a party hereto as a "Borrower" hereunder upon the satisfaction of the conditions set forth in Section 6.01(i)(ii).

"Additional Borrower Joinder Agreement" shall mean the joinder agreement substantially in the form of Exhibit F.

"Administrative Agent" has the meaning specified in the introduction hereto.

"Administrative Agent's Account" means, with respect to any Currency, the account of the Administrative Agent for such Currency most recently designated by it as such by notice to KCMH and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, with respect to a specified Person, another Person that directly or indirectly Controls or is Controlled by or is under common Control with such specified Person.

"Aggregate Borrowing Availability" means, at any time, the Aggregate Facility Amount at such time minus the Total Credit Exposure at such time.

"Aggregate Facility Amount" means, at any time, the aggregate amount of the Commitments then in effect. The initial Aggregate Facility Amount is \$750,000,000.

"Allocable Amount" has the meaning specified in Section 2.06(b).

"Alternate Currency" means the Euro, Sterling and any other currency acceptable to the Lenders that is freely convertible into Dollars and available to be borrowed in the interbank market in London or the Principal Financial Center for such currency, so long as no central bank or other governmental authorization in the country of issue of such currency (including, in the case of the Euro, any authorization by the European Central Bank) is required to permit the use of such currency by any Lender for making any Loan hereunder and/or permit a Borrower to borrow and repay the principal thereof and to pay the interest thereon, unless such authorization has been obtained and is in full force and effect.

“Alternate Currency Equivalent” means, on any date, with respect to any amount denominated in a given currency, the amount of Alternate Currency that would be required to purchase such amount of such given currency at or about 11:00 a.m., Local Time, on such date, for delivery two Business Days later, as determined by the Administrative Agent on the basis of the spot selling rate for the offering of such given currency for Alternate Currency in the Principal Financial Center for the applicable given currency, all determinations thereof by the Administrative Agent to be conclusive and binding on the parties in the absence of manifest error.

“Applicable Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Lending Office” in the Administrative Questionnaire of such Lender or in the Assignment and Assumption pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to KCMH and the Administrative Agent. It is understood and agreed that unless otherwise hereafter notified, the Applicable Lending Office for MHC B and its Affiliates shall be its New York branch.

“Applicable Margin” has the meaning specified in Annex A.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 9.06(b)) and accepted by the Administrative Agent, substantially in the form of Exhibit D or any other form approved by the Administrative Agent.

“Available Tenor” means, as of any date of determination and with respect to the relevant then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of “Interest Period” pursuant to Section 3.04(c).

“Availability Period” means the period from the Closing Date until the earlier of (a) the Commitment Termination Date and (b) the date of termination of the Commitments.

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

“Bail-In Legislation” means (a) 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, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Benchmark” means, initially, with respect to any Term Benchmark Loan or RFR Loan in any Specified Currency, the applicable Relevant Rate for such Specified Currency; provided that if a Benchmark Transition Event has occurred with respect to a then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.04(c).

“Benchmark Replacement” means with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) in the case of any Loan denominated in Dollars, the applicable Daily Simple RFR;

(2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor, if applicable, 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 or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for syndicated credit facilities denominated in the applicable Specified Currency at such time and (b) the related Benchmark Replacement Adjustment; provided that, in the case of the immediately preceding clause (b), such adjustment shall not be in the form of an increase of the Applicable Margin.

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor 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, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor, if applicable, 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 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 Dollars or the applicable Alternate Currency, as applicable; provided that such adjustment shall not be in the form of an increase of the Applicable Margin.

“Benchmark Replacement Conforming Changes” means, with respect to the use, administration or implementation of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “ABR,” 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, the applicability and length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to the definition of “Benchmark Replacement”, the formula, methodology or convention for applying the successor floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Administrative Agent decides (in consultation with the Borrower) may be appropriate to reflect the adoption and implementation of any such rate and to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice applicable to such rate (or, if the Administrative Agent decides (in consultation with the Borrower) 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 any such rate exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Borrower) is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means, with respect to a then-current 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 or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) 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 a Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the relevant Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the relevant “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) or with respect to any relevant Benchmark upon the occurrence of the applicable event or events set forth therein solely to the extent such event applies with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the 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 Federal Reserve Bank of New York, 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), 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 or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” (a) will be deemed to have occurred with respect to any Benchmark solely to the extent that 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", with respect to each applicable then-current Benchmark, means 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 3.04(c) 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 3.04(c).

"Borrowers" and "Borrower" have the respective meanings specified in the heading hereof.

"Borrowing" means a borrowing consisting of simultaneous Loans of the same Type made by the Lenders to a Borrower pursuant to Section 2.01.

"Borrowing Category" means a Category I Borrowing, a Category II Borrowing, a Category III Borrowing, a Category IV Borrowing or a Category V Borrowing.

"Broker-Dealer Subsidiary" means each of (i) KCM U.K., (ii) KCM U.S., (iii) (x) prior to the KCM Asia Reorganization Effective Date, KCM Asia and (y) after the KCM Asia Reorganization Effective Date, KCM Asia II, (iv) KCM Japan, (v) KCM Ireland and (vi) any other direct or indirect broker-dealer Subsidiary of KCMH.

"Business Day" means (a) a day on which commercial banks are not authorized by law or required to close in New York City, (b) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a Term Benchmark Loan denominated in an Alternate Currency (other than Euros or Sterling), or a notice with respect thereto, that is also a day on which commercial banks and foreign exchange markets settle payments in the Principal Financial Center for such currency, (c) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for, a Term Benchmark Loan denominated in Euros, or a notice with respect thereto, that is also a Target Operating Day (as defined in Section 9.17), (d) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on, any SONIA Rate Loan, or a notice with respect thereto, a London Banking Day, (e) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a RFR Loan, or a notice with respect thereto, that is also a RFR Business Day and (f) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a Term Benchmark Loan, or a notice with respect thereto, that is also a U.S. Government Securities Business Day.

"Cash Equivalents" means:

(a) securities issued or unconditionally guaranteed by the United States government or any agency or instrumentality thereof, in each case having maturities of not more than 12 months from the date of acquisition thereof;

(b) securities issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof or any political subdivision of any such state or any public instrumentality thereof having maturities of not more than 12 months from the date of acquisition thereof and, at the time of acquisition, having an investment grade rating generally obtainable from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, then from another nationally recognized rating service);

(c) commercial paper issued by any Lender or any bank holding company owning any Lender;

(d) commercial paper maturing no more than 12 months after the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

(e) certificates of deposit or bankers' acceptances, having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service), maturing no more than one year after the date of acquisition thereof issued by any Lender or any other bank having combined capital and surplus of not less than \$200,000,000 in the case of domestic banks and \$100,000,000 (or the Dollar Equivalent thereof) in the case of foreign banks;

(f) repurchase agreements with a term of not more than 90 days for underlying securities of the type described in clauses (a), (b) and (e) above entered into with any bank meeting the qualifications specified in clause (e) above or securities dealers of recognized national standing;

(g) marketable short-term money market and similar funds having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

(h) shares of investment companies that are registered under the Investment Company Act of 1940 and substantially all the investments of which are one or more of the types of securities described in clauses (a) through (g) above; and

(i) in the case of any non-U.S. organized Subsidiary or investment made in a country outside the United States, other customarily utilized high-quality investment in the country where such non-U.S. organized Subsidiary is located or in which such investment is made and of a type analogous to the foregoing.

"Category I Borrowing" means a Borrowing made or a Letter of Credit issued for general corporate purposes or to finance the working capital needs of KCMH or any Subsidiary of KCMH, including financing the regulatory capital requirements of any Broker-Dealer Subsidiary.

"Category II Borrowing" means a Borrowing made or a Letter of Credit issued to finance obligations of KCMH or any Subsidiary of KCMH relating to any Senior Debt Transaction.

"Category III Borrowing" means a Borrowing made or a Letter of Credit issued to finance obligations of KCMH or any Subsidiary of KCMH relating to a Subordinated Debt Transaction.

"Category IV Borrowing" means a Borrowing made or a Letter of Credit issued to finance obligations of KCMH or any Subsidiary of KCMH relating to an Equity Bridge Transaction.

"Category V Borrowing" means a Borrowing made to finance KCMH's, or any Subsidiary of KCMH's, facilitation of a debt capital markets "fronting" arrangement pursuant to which KCMH or such Subsidiary is acting as the initial purchaser or lender of a debt instrument that has been reserved by KCMH or such Subsidiary for purchase by another Person from whom an order has been received and such arrangement involves terms that are customary in the market for "fronting" transactions (and such Borrowing, for the avoidance of doubt, shall not be deemed to be outstanding under any other Borrowing Category unless such Borrowing remains outstanding for 45 days after the date on which such Borrowing was initially made, at which time the outstanding amount of such Borrowing shall be converted to, and deemed to be outstanding under, the Borrowing Category that otherwise would have applied based upon the type of transaction being financed); provided that only the portion of a Borrowing constituting such "fronting" arrangement may be deemed a Category V Borrowing, with the portion not constituting such "fronting" arrangement being allocated to such other applicable Borrowing Category. On or prior to the making of a Borrowing any portion of which constitutes a Category V Borrowing, the applicable Borrower shall deliver the certificate required pursuant to Section 4.02(e), which shall specify the "fronting" portion of such Borrowing and the applicable Borrowing Category for any portion that is not a "fronting" portion.

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

"CBR Spread" means the Applicable Margin, 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) Sterling, the Bank of England (or any successor thereto)'s "Bank Rate" as published by the Bank of England (or any successor thereto) from time to time, (b) 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 (e) any other Alternate Currency determined after the Closing Date, a central bank rate as determined by the Administrative Agent in its reasonable discretion and (ii) the Floor; 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 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 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, (b) Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of Daily Simple RFR for Sterling Borrowings for the five most recent RFR Business Days preceding such day for which SONIA was available (excluding, from such averaging, the highest and the lowest such Daily Simple RFR applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Sterling in effect on the last RFR Business Day in such period and (c) any other Alternate Currency determined after the Closing Date, 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 Specified Currency for a maturity of one month.

"Change in Law" means the occurrence, after the date of this Agreement, of the adoption of any law, rule, regulation or treaty, or of any change in applicable law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority having jurisdiction or the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, as amended (including as such law forms a part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended, including without limitation, by the European Union (Withdrawal Agreement) Act 2020)), shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued; provided further, that any increased costs associated with a Change in Law based on the foregoing clauses (a) and/or (b) may only be imposed to the extent the relevant Lender or Issuing Lender, as applicable, imposes the same charges generally on other similarly situated borrowers under comparable credit facilities.

"Change of Control" means, and shall be deemed to have occurred if, (a) KKR and/or its Affiliates shall at any time not own, directly or indirectly, beneficially and of record, (i) more than 50% of the voting power of the outstanding Voting Shares of KCMH and (ii) at least 25% of the outstanding Equity Interests of KCMH; (b) KCMH shall at any time not own, directly or indirectly, beneficially and of record, more than 50% of the voting power of the outstanding Voting Shares of KCM U.S., KCM U.K. or KCM Asia II; or (c) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of KCMH cease to be composed of individuals who are employees, partners, members, directors or officers of KKR or its Affiliates.

"Closing Date" means April 4, 2024.

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

"Collateral" has the meaning specified in the Guarantee and Security Agreement.

"Commitment" means, as to each Lender, the commitment of such Lender to make Loans to the Borrowers under Section 2.01(a)(i) and purchase participations in L/C Exposure in an aggregate amount at any one time outstanding up to the amount set forth opposite such Lender's name on Schedule I or, if such Lender has entered into an Assignment and Assumption, set forth for such Lender in the Register, as such amount may be reduced pursuant to Section 2.04(b).

"Commitment Percentage" means, with respect to any Lender, at any time, the percentage of the Aggregate Facility Amount represented by such Lender's Commitment; provided, that if the Commitments have terminated or expired, the Commitment Percentages shall equal the percentage of aggregate outstanding Loans and L/C Exposure held by such Lender and if there is no outstanding Loans and L/C Exposure, the Commitment Percentage shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

"Commitment Termination Date" means the date five years after the Closing Date, provided that if such date is not a Business Day, the Commitment Termination Date shall be the immediately preceding Business Day.

"Concentration Limits" has the meaning specified in Annex B.

"Continuation", "Continue" and "Continued" refer to a continuation of Term Benchmark Loans from one Interest Period to the next Interest Period pursuant to Section 3.05(b).

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

“Convert”, “Conversion” and “Converted” refer to a conversion of Loans of one Type into Loans of the other Type pursuant to Section 3.04 or Section 3.05, except that no Conversion may be made into Daily Simple RFR Loans denominated in Dollars until after the occurrence of a Benchmark Replacement pursuant to clause (1) of the definition thereof in accordance with Section 3.04(c).

“Corresponding Tenor” with respect to any Available Tenor means, 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.

“Cure Right” has the meaning specified in Section 7.02.

“Currencies” means, collectively, Dollars and the Alternate Currencies.

“Daily Simple RFR” means, for any day (an “RFR Interest Day”), a rate per annum equal to, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to:

(a) Dollars, the greater of (i) SOFR for the day (such day, a “Dollar RFR Determination Day”) that is five RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator’s Website; provided that if by 5:00 p.m. (New York City time) on the second (2nd) RFR Business Day immediately following any Dollar RFR Determination Day, SOFR in respect of such Dollar RFR Determination Day has not been published on the SOFR Administrator’s Website and a Benchmark Replacement Date with respect to the Daily Simple RFR for Dollars has not occurred, then SOFR for such Dollar RFR Determination Day will be SOFR as published in respect of the first preceding RFR Business Day for which such SOFR was published on the SOFR Administrator’s Website; provided further that SOFR as determined pursuant to this proviso shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Interest Days, and (ii) the Floor; and

(b) Sterling, the greater of (i) SONIA for the day (such day, a “Sterling RFR Determination Day”) that is five RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, in each case, as such SONIA is published by the SONIA Administrator on the SONIA Administrator’s Website; provided that if by 5:00 p.m. (London time) on the second (2nd) RFR Business Day immediately following any Sterling RFR Determination Day, SONIA in respect of such Sterling RFR Determination Day has not been published on the SONIA Administrator’s Website and a Benchmark Replacement Date with respect to the Daily Simple RFR for Sterling has not occurred, then SONIA for such Sterling RFR Determination Day will be SONIA as published in respect of the first preceding RFR Business Day for which such SONIA was published on the SONIA Administrator’s Website; provided further that SONIA as determined pursuant to this proviso shall be

utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Interest Days and (ii) the Floor.

"Debt to Equity Ratio" means, as of any date of determination, the ratio of Total Debt to Total Equity.

"Default" means any event or condition that constitutes an Event of Default or that, with notice or lapse of time or both, would become an Event of Default.

"Defaulting Lender" means, subject to Section 3.14(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the requesting Borrower 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, or (ii) pay to the Administrative Agent, the Issuing Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within two Business Days of the date when due, (b) has notified KCMH, the Administrative Agent or the Issuing Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (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) has failed, within three Business Days after written request by the Administrative Agent or KCMH, to confirm in writing to the Administrative Agent and KCMH that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and KCMH), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any bankruptcy, insolvency, reorganization or similar law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest 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. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to

Section 3.14(b)) upon delivery of written notice of such determination to KCMH, the Issuing Lender and each Lender.

“Designated Entity” means at any time, any corporation, partnership, limited liability company or other entity formed or acquired after the Closing Date that is not a Borrower and of which at least a majority but less than 100% of the Voting Shares are at the time directly or indirectly owned or controlled by KCMH or one or more Subsidiaries of KCMH, which has been designated in a written notice from KCMH to the Administrative Agent as a Designated Entity; provided that at the time of such designation (a) no Default or Event of Default would result from such designation and (b) after giving pro forma effect to such designation the Debt to Equity Ratio is less than or equal to ^[**] to 1.00. KCMH may, by written notice to the Administrative Agent, de-designate any Designated Entity and thereafter such entity shall not longer constitute a Designated Entity, but only if (a) no Default or Event of Default would result from such de-designation and (b) after giving pro forma effect to such de-designation the Debt to Equity Ratio is less than or equal to ^[**] to 1.00; provided further that notwithstanding the foregoing, KKR-MM Vector GP LLC, KKR-MM Vector L.P., Merchant Capital Solutions LLC, MCS Corporate Lending LLC, MCS Capital Markets LLC, ^[**], ^[**], any entity formed for the purpose of acting in an administrative or other agency roles in respect of financings (with written notice thereof provided by KCMH to the Administrative Agent) and any of their respective direct or indirect subsidiaries, now existing or hereafter formed, shall each be deemed a Designated Entity (unless otherwise de-designated by KCMH in accordance with this definition).

“Determination Day” has the meaning specified in the definition of “Term SOFR”.

“Disqualified Equity Interests” means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests 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 (other than solely for Equity Interests other than Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof (other than solely for Equity Interests other than Disqualified Equity Interests), 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 Interests that would constitute Disqualified Equity Interests, in each case of clauses (a) through (d) above, prior to the date that is ninety-one days after the Commitment Termination Date.

“Dollar Equivalent” means, on any date, with respect to any amount denominated in an Alternate Currency, the amount of Dollars that would be required to purchase such amount of such Alternate Currency at or about 11:00 a.m., Local Time, on such date, for delivery two Business Days later, as determined by the Administrative Agent on the basis of the spot selling rate for the offering of such Alternate Currency for Dollars in the Principal Financial Center for the applicable Alternate Currency, all determinations

*^[**]=Certain information contained in this document, marked by “^[**]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

thereof by the Administrative Agent to be conclusive and binding on the parties in the absence of manifest error.

"Dollar RFR Determination Day" has the meaning specified in the definition of "Daily Simple RFR".

"Dollars" and "\$" refers to lawful money of the United States.

"Domestic Subsidiary" means any Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

"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.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"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.

"Eligible Assignee" means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other Person (other than a natural person) approved by the Administrative Agent and the Issuing Lender and, unless an Event of Default of the kind referred to in Section 7.01(a), 7.01(b), 7.01(g) or 7.01(h) has occurred and is continuing, by KCMH (each such approval not to be unreasonably withheld or delayed); provided, that notwithstanding the foregoing, assignments to any private equity fund, credit fund, hedge fund or other similar investment vehicle shall require the consent of KCMH in its sole discretion.

"Equity Bridge Transaction" means an equity underwriting or commitment of KCMH or any Subsidiary of KCMH.

"Equity Interests" means shares of capital stock, partnership interests, membership interests in a limited liability company (including any securities convertible or exchangeable for such stock or interests), beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

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

“ERISA Affiliate” means any Person that, together with the Borrower, 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,” as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than those events for which the 30-day notice period is waived pursuant to Department of Labor Reg. Section 4043 as in effect on the date hereof); (b) the failure of any Plan to satisfy the minimum funding standards (as defined in Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived; (c) 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 standard with respect to any Plan; (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from the Borrower or any of its ERISA Affiliates of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA.

“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.

“EURIBOR Rate” means, with respect to any Term Benchmark Borrowing denominated in Euros and for any Interest Period, the EURIBOR Screen Rate, two TARGET Days prior to the commencement of such Interest Period.

“EURIBOR Screen Rate” means 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 (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters as published at approximately 11:00 a.m. Brussels time two TARGET Days prior to the commencement of such Interest Period.

“Euro” has the meaning specified in Section 9.17.

“Events of Default” has the meaning specified in Section 7.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Excluded Taxes" means, with respect to any recipient of any payment made to or for such recipient's account, arising from any obligation of the Borrowers hereunder to the Administrative Agent and each Lender, Taxes (a) imposed on or measured by its overall net income (however denominated), franchise Taxes and branch profit Taxes, in each case, imposed by a jurisdiction (or any political subdivision thereof) as a result of a connection between such recipient and the jurisdiction (or political subdivision thereof) imposing such tax (other than any such Taxes that would not have been imposed but for such recipient's execution, delivery or performance of its obligations under, or its receipt of one or more payments pursuant to, this Agreement), (b) that are attributable to such recipient's failure to comply with the requirements of paragraph (e) or (f) of Section 3.11, (c) that are withholding taxes imposed on amounts payable to such recipient pursuant to a law in effect on the date on which (i) such recipient acquires an applicable interest in a Loan or Commitment or (ii) such recipient changes its lending office, except in each case to the extent that such recipient's assignor (if any) or such recipient was entitled, immediately before the time of assignment or immediately before it changed its lending office, to receive additional amounts from the Borrower with respect to such Taxes pursuant to Section 3.11(b) and (d) any withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain Third Amended and Restated 5-Year Revolving Credit Agreement dated March 20, 2020 among KCMH, KCL U.S., KCL C.A., KCL T.N., KCL U.K., MHCB as administrative agent and the lenders party thereto, as amended from time to time prior to the date hereof.

"Existing Lenders" means the "Lenders" as defined in the Existing Credit Agreement.

"Existing Letter of Credit" means each letter of credit issued prior to the Closing Date and listed on Schedule III.

"Existing Loans" means any Loans (as defined in the Existing Credit Agreement) outstanding on the Closing Date under the Existing Credit Agreement immediately before the closing of this Agreement.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Closing Date (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 law, regulation, rule, promulgation, or official agreement implementing an official government agreement with respect to the foregoing.

"Federal Funds 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 arranged by Federal funds brokers, as 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.

"Finance Lease Obligation" shall mean, as applied to any Person, an obligation that is required to be accounted for as a finance or capital lease (and not an operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a finance or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

"Finance Subsidiary" means KCL U.K., KCL U.S., KCL C.A., KCL T.N., KCL Cayman, KKR Nitro and any other direct or indirect Subsidiary of KCMH formed for the purpose of providing financing in KCMH's financing business.

"Finance Subsidiary Debt" means Indebtedness under any warehouse credit facility or other similar line of credit entered into for the purpose of funding Indebtedness originated or extended by any Finance Subsidiary.

"Financial Officer" means the chief financial officer, principal financial officer, treasurer, controller or a director of a Borrower.

"Financing Transaction" means any Equity Bridge Transaction, Senior Debt Transaction or Subordinated Debt Transaction.

"Financing Transaction Borrowing" means any Category II Borrowing, Category III Borrowing or Category IV Borrowing.

"FINRA" means the Financial Industry Regulatory Authority, or any other Self Regulatory Organization that succeeds to the functions thereof.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Dollars or any Alternate Currency. For the avoidance of doubt the initial Floor for each of Term SOFR, EURIBOR Rate, each Daily Simple RFR and the Central Bank Rate shall be 0.0%.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Fund" means any Person (other than a natural person) that is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"General Partner" means KKR Capital Markets Holdings GP LLC, a Delaware limited liability company.

"GAAP" means accounting principles generally accepted in the United States as in effect from time to time.

"Governmental Authority" means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness 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 to advance or supply funds for the purchase or payment of) such Indebtedness 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 obligation 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 obligation or (d) as an account party in respect of any letter of credit or letter of guarantee issued to support such Indebtedness; 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 such Guarantee is limited by its terms to a lesser amount, such lesser amount) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

"Guarantee and Security Agreement" means the Fourth Amended and Restated Guaranty and Security Agreement, dated as of the date hereof, among the Obligors and the Administrative Agent in substantially the form of Exhibit B, as from time to time amended, modified or supplemented.

"Guarantors" means, at any time, collectively, those Subsidiaries of KCMH that are parties to the Guarantee and Security Agreement.

"Hedging Agreement" means any interest rate protection agreement, foreign currency exchange agreement or other derivative transaction.

"Indebtedness" of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or similar instruments, (b) the deferred purchase price of assets or services that in accordance with GAAP would be included as a liability on the balance sheet of such Person, (c) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder and all

direct obligations arising under bankers' acceptances, bank guaranties, surety bonds and similar instruments, (d) all Indebtedness of any other Person secured by any Lien on any property owned by such Person, whether or not such Indebtedness has been assumed by such Person, (e) the principal component of all Finance Lease Obligations, (f) all obligations of such Person under interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity price protection agreements or other commodity price hedging agreements and other similar agreements, (g) without duplication, all Guarantees by such Person of Indebtedness of others and (h) all obligations of such Person in respect of Disqualified Equity Interests, provided that Indebtedness shall not include (i) trade and other ordinary course payables and accrued expenses arising in the ordinary course of business, (ii) deferred or prepaid revenue and (iii) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller. The amount of Indebtedness of any Person for purposes of clause (d) shall be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith.

"Indemnified Taxes" means (a) Taxes other than Excluded Taxes, and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnatee" has the meaning specified in Section 9.04(b).

"Intercreditor Agreement" means that certain First Lien Intercreditor Agreement dated April 4, 2024, among the Administrative Agent, the administrative agent in respect of the 364-Day Credit Agreement, the other parties thereto from time to time and acknowledged by the Obligors, as from time to time amended, modified, supplemented or replaced.

"Interest Period" means, for any Term Benchmark Loan, the period beginning on the date such Term Benchmark Loan is made, or Continued or Converted from an ABR Loan, and ending on the last day of the period selected by the Borrower pursuant to the provisions below, and thereafter each subsequent period commencing on the last day of the immediately preceding Interest Period therefor and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one month, or if agreed by the Administrative Agent, three or six months (or if available to all relevant Lenders, twelve months), as the Borrower may select by notice to the Administrative Agent no later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to such twelve month periods, fourth Business Day) prior to the first day of such Interest Period.

Notwithstanding the foregoing:

(w) if any Interest Period would otherwise commence before and end after the Commitment Termination Date, such Interest Period shall end on the Commitment Termination Date,

(x) each Interest Period that would otherwise end on a day that is not a Business Day shall end on the next succeeding Business Day, unless such next succeeding Business Day would fall in the succeeding month, in which case such Interest Period shall end on the next preceding Business Day,

(y) each Interest Period that commences on the last day of a month (or on any day for which there is no numerically corresponding day in the appropriate subsequent month) shall end on the last Business Day of the appropriate subsequent calendar month, and

(z) Interest Periods commencing on the same day for Term Benchmark Loans comprising part of the same Borrowing shall be of the same duration.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person.

"Issuing Lender" means MHCBC, and/or any other Lender from time to time designated as an Issuing Lender in a writing signed by such Lender, KCMH and the Administrative Agent (MHCBC and such other Lender being collectively referred to herein as the "Issuing Lender" unless the context otherwise requires).

"KCL Cayman" means KKR Corporate Lending (Cayman) Ltd., a Cayman limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCL C.A." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL T.N." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL U.K." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCL U.S." has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCMH" has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

"KCM Asia" means KKR Capital Markets Asia Limited, a Hong Kong company limited by shares, and includes any successor thereto in accordance with this Agreement.

"KCM Asia II" means KKR Capital Markets Asia II Limited, a Hong Kong company limited by shares, and includes any successor thereto in accordance with this Agreement.

"KCM Asia Reorganization Effective Date" means the date upon which KCM Asia ceases to be a subsidiary of KCMH; provided that on or prior to such date, (i) KCM Asia II has become a licensed corporation under the SFO to carry on Type 1 and Type 4 regulated activities and (ii) KKR Asia LLC has received SFC approval to be a substantial shareholder of KCM Asia.

"KCM Group Entity" means KCMH and any entity in which KCMH, directly or indirectly, owns an Equity Interest.

"KCM Ireland" means KKR Capital Markets (Ireland) Limited, an Ireland limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM Japan" means KKR Capital Markets Japan Holdings LLC, a Delaware limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM U.S." means KKR Capital Markets LLC, a Delaware limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM U.K." means KKR Capital Markets Limited, a United Kingdom limited liability company, and includes any successor thereto in accordance with this Agreement.

"KKR" means Kohlberg Kravis Roberts & Co. L.P., a Delaware limited partnership and includes any successor thereto in accordance with this Agreement.

"KKR Nitro" means KKR Nitro Holdings Limited, a Cayman limited liability company, and includes any successor thereto in accordance with this Agreement.

"L/C Exposure" means, at any time, the sum of (a) the aggregate undrawn face amount of all outstanding Letters of Credit and (b) the aggregate amount of unreimbursed L/C Payments under all outstanding Letters of Credit (or, if applicable with respect to clauses (a) and (b), the Dollar Equivalent thereof).

"L/C Payment" means a payment by an Issuing Lender of a draft or demand drawn under a Letter of Credit.

"L/C Reimbursement Obligation" means the obligation of a Borrower to reimburse an Issuing Lender for an L/C Payment pursuant to Section 2.02(d)(ii).

"L/C Related Documents" has the meaning specified in Section 2.02(c)(i).

"Laws" means, collectively, all 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, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case, whether or not having the force of law.

“Lead Arranger” means MHCBC, in its capacity as sole lead arranger and sole bookrunner.

“Lender” means each bank or other financial institution listed on the signature pages hereof and each Person that shall become a party hereto pursuant to 9.06.

“Letter of Credit” has the meaning specified in Section 2.02(a)(i) and shall include each Existing Letter of Credit.

“Letter of Credit Facility Amount” means the lesser of (a) \$750,000,000 and (b) the Aggregate Facility Amount.

“Lien” means any mortgage, deed of trust, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Loan” has the meaning specified in Section 2.01(a)(i).

“Loan Documents” means, collectively, this Agreement, the Notes, the Guarantee and Security Agreement and the Intercreditor Agreement.

“Local Time” means (a) with respect to any Loan denominated or any payment to be made in Dollars, New York time, and (b) with respect to any Term Benchmark Loan or RFR Loan denominated or any payment to be made in an Alternate Currency, the local time in the Principal Financial Center for such Alternate Currency.

“London Banking Day” means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London.

“Majority Lenders” means, at any time, (a) Lenders holding more than 50% of the Commitments, or (b) if the Commitments have terminated or expired, Lenders having collectively more than 50% of the sum of (i) aggregate amount of the unpaid principal amount of the Loans and (ii) L/C Exposure (computed at any time, in the case of Loans and L/C Exposure denominated in an Alternate Currency, as the Dollar Equivalent thereof as determined by the Administrative Agent); provided that the unused Commitment of, and the portion of the Total Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Majority Lenders.

“Material Adverse Effect” means a material adverse effect on (a) the business, financial condition, properties or operations of KCMH and its Subsidiaries taken as a whole, (b) the ability of any Obligor to perform any of its material obligations under any Loan Document or (c) the material rights and remedies of, or benefits available, to the Administrative Agent or the Lenders under any Loan Document.

“Material Foreign Subsidiary” means any Foreign Subsidiary (inclusive of its Subsidiaries) that, as of the last day of the fiscal quarter of KCMH most recently ended for which financial statements have been delivered pursuant to Section 6.01(a)(i) or (ii), (a) generated over 25% of consolidated revenues of KCMH and its Subsidiaries for the period of two years ended at the end of such fiscal quarter or (b) to which more than \$[**] of the Aggregate Facility Amount has been funded as of such date and has been funded for the period of six months immediately preceding such date.

“Material Indebtedness” means Indebtedness of the type described in clause (a) of the definition thereof issued or incurred under any agreement or instrument in an aggregate outstanding principal amount of \$[**] or more.

“Material Subsidiary” means any Subsidiary that constitutes a “significant subsidiary” as defined under Regulation S-X promulgated by the SEC, as in effect from time to time; provided that each of KCM U.S. and KCM U.K. shall be a Material Subsidiary.

“MHCB” means Mizuho Bank, Ltd. or any successor thereto.

“Moody’s” means Moody’s Investors Service, Inc. or any successor thereto.

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

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-U.S. Lender” has the meaning specified in Section 3.11(e).

“Note” has the meaning specified in Section 2.01(e).

“Notice of Borrowing” has the meaning specified in Section 2.01(b)(ii).

“Notice of Issuance” has the meaning specified in Section 2.02(c)(i).

“Obligations” means (a) all obligations of the Borrowers under the Loan Documents to pay the principal of and interest on the Loans and the L/C Reimbursement Obligations and all fees, premiums, costs, expenses, indemnification payments and other amounts or obligations whatsoever, whether direct or indirect, absolute or contingent, now or hereafter from time to time owing to the Secured Creditors arising under, out of, or in connection with the Loan Documents and all obligations of the Borrowers to any Lender (or any Affiliate thereof) under any Hedging Agreement and (b) in the case of

*[**]=Certain information contained in this document, marked by “[**]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

each of the foregoing, including all interest thereon and expenses related thereto, including any interest or expenses accruing or arising after the commencement of any case with respect to any Obligor under the United States Bankruptcy Code or any other bankruptcy or insolvency law (whether or not such interest or expenses are allowed or allowable as a claim in whole or in part in such case).

“Obligors” means, collectively, the Borrowers and the Guarantors.

“Other Taxes” means 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, except any such taxes imposed with respect to an assignment.

“Participant” has the meaning specified in Section 9.06(d).

“Participant Register” has the meaning specified in Section 9.06(d).

“Patriot Act” has the meaning specified in Section 9.15.

“PBGC” means the Pension Benefit Guaranty Corporation referred to and defined in Section 4002 of ERISA and any successor entity performing similar functions.

“Permitted Liens” means:

(a) Liens for taxes, assessments or governmental charges or claims not yet overdue for a period of more than 30 days or that are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established to the extent required by and in accordance with GAAP, or for property taxes on property that the Borrower or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge or claim is to such property;

(b) Liens in respect of property or assets of KCMH or any of its Subsidiaries imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens arising in the ordinary course of business, in each case so long as such Liens arise in the ordinary course of business and do not individually or in the aggregate have a Material Adverse Effect;

(c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under 7.01(j);

(d) Liens incurred or deposits made in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business;

(e) ground leases in respect of real property on which facilities owned or leased by the Borrower or any of its Subsidiaries are located;

(f) easements, rights-of-way, restrictions, minor defects or irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business of KCMH and its Subsidiaries, taken as a whole;

(g) any interest or title of a lessor or secured by a lessor's interest under any lease permitted by this Agreement;

(h) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(i) leases, licenses, subleases or sublicenses granted to others not interfering in any material respect with the business of KCMH and its Subsidiaries, taken as a whole;

(j) Liens arising from precautionary UCC financing statement or similar filings made in respect of operating leases entered into by the Borrower or any of its Subsidiaries;

(k) Liens created in the ordinary course of business in favor of banks and other financial institutions over credit balances of any bank accounts, brokerage accounts or commodities accounts of KCMH and its Subsidiaries held at such banks or financial institutions, including any accounts maintained with any clearing or settlement bank or other financial institution; and

(l) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct of the business of KCMH and its Subsidiaries, taken as a whole.

"Permitted Subordinated Debt" shall mean senior subordinated notes, or other senior subordinated Indebtedness, issued by a Borrower or any Guarantor, (a) the terms of which (i) do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to a date 91 days after Commitment Termination Date (other than customary offers to purchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default) and (ii) provide for customary subordination to the obligations of the Obligor under the Loan Documents, (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to KCMH and its Subsidiaries than those herein; provided that a certificate of a Financial Officer of KCMH is delivered to the Administrative Agent at least seven Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that KCMH has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies

KCMH within such period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), (c) of which no Subsidiary of KCMH (other than a Guarantor) is an obligor and (d) after giving pro forma effect to the issuance thereof, KCMH shall be in compliance with the financial covenant set forth in Section 6.03.

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

"Plan" means any employee pension benefit 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, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pledged Equity" has the meaning specified in the Guarantee and Security Agreement.

"Principal Financial Center" means, for any Currency, the principal financial center in the country of issue of such Currency, as reasonably determined by the Administrative Agent.

"Property" of any Person means any property or assets, or interest therein, of such Person.

"Reference Time" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is Term SOFR, 5:00 a.m. (New York time) on the day that is two Business Days preceding the date of such setting, (2) if such Benchmark is EURIBOR Rate, 11:00 a.m. Brussels time two TARGET Days preceding the date of such setting, (3) if such Benchmark is Daily Simple RFR, then four Business Days prior to such setting, or (4) if such Benchmark is none of Term SOFR, the EURIBOR Rate or Daily Simple RFR, the time determined by the Administrative Agent in its reasonable discretion.

"Register" has the meaning specified in Section 9.06(c).

"Regulations T, U and X" means, respectively, Regulations T, U and X of the Board of Governors of the Federal Reserve System (or any successor), as from time to time amended, modified or supplemented.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means (i) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve

System or the Federal Reserve Bank of New York, or any successor thereto, (ii) with respect to a Benchmark Replacement in respect of RFR Loans denominated in Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto, or (iii) with respect to a Benchmark Replacement in respect of Loans denominated in an Alternate Currency (other than Sterling), (a) the central bank for such Alternate Currency in which such Benchmark is denominated or any central bank or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), (b) any working group or committee officially endorsed or convened by (1) the central bank for such Alternate Currency in which such Benchmark is denominated, (2) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark or (B) the administrator of such Benchmark, (3) a group of those central banks or other supervisors, (4) the Financial Stability Board or any part thereof, (c) an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), (d) a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or (e) a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component).

“Relevant Rate” means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, Term SOFR, (ii) with respect to any Term Benchmark Borrowing denominated in Euros, the EURIBOR Rate or (iii) with respect to any Borrowing denominated in Sterling (or, subject to Section 3.04(c) Dollars), the applicable Daily Simple RFR, as applicable.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of any Person, 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 such capital stock or other Equity Interest, or on account of any return of capital to any Person’s stockholders, partners or members (or the equivalent Person thereof).

“RFR” means, for any RFR Loan denominated in (a) Dollars, SOFR, and (b) Sterling, SONIA.

“RFR Borrowing” means, as to any Borrowing, the RFR Loans comprising such Borrowing.

“RFR Business Day” means, for any Loan denominated in (a) Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London and (b) Dollars, a U.S. Government Securities Business Day.

“RFR Interest Day” has the meaning specified in the definition of “Daily Simple RFR”.

"RFR Loan" means a Loan that bears interest at a rate based on the Daily Simple RFR.

"Rule 15c3-1" means Rule 15c3-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act (17 CFR 240, 15c3-1), as from time to time amended, modified or supplemented, or such other rule or regulation of the SEC which replaces Rule 15c3-1.

"S&P" means Standard & Poor's Rating Services or any successor thereto.

"Screen Rate" means (i) with respect to any Term Benchmark 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, as applicable, as applicable.

"Secured Creditors" means, collectively, the Lenders (including each Issuing Lender) and the Administrative Agent, any other holder from time to time of any of the Obligations and, in each case, their respective successors and assigns.

"Senior Debt Transaction" means a senior debt underwriting or commitment of KCMH or any Subsidiary of KCMH.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to the principal functions thereof.

"Self Regulatory Organization" has the meaning assigned to such term in Section 3(a)(26) of the Exchange Act.

"SFC" means the Securities and Futures Commission of Hong Kong.

"SFO" means the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong.

"SIPA" means the Securities Investor Protection Act of 1970, as from time to time amended, modified or supplemented.

"SIPC" means the Securities Investor Protection Corporation established pursuant to SIPA or any other corporation succeeding to the principal functions thereof.

"SOFR" means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, 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.

“Solvent” and “Solvency” mean, with respect to any Person, that as of the Closing Date, (a) (i) the sum of such Person's debts (including contingent liabilities) does not exceed the present fair saleable value of such Person's present assets; (ii) such Person's capital is not unreasonably small in relation to its business as contemplated on the Closing Date; and (iii) such Person has not incurred and does not intend to incur, or believe that it will incur, debts including current obligations beyond its ability to pay such debts as they become due (whether at maturity or otherwise); and (b) such Person is “solvent” within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, 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).

“SONIA” means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator's Website on the immediately succeeding Business Day.

“SONIA Administrator” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“SONIA Administrator's Website” means the Bank of England's website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling Overnight Index Average identified as such by the SONIA Administrator from time to time.

“SONIA Rate” when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, which are bearing interest at a rate determined by reference to the Daily Simple RFR for Loans denominated in Sterling.

“Sterling” means the lawful currency of the United Kingdom.

“Sterling RFR Determination Day” has the meaning specified in the definition of “Daily Simple RFR”.

“Subordinated Debt Transaction” means a subordinated debt underwriting or commitment of KCMH or any Subsidiary of KCMH.

“Subordinated Indebtedness” means any Permitted Subordinated Debt or any other Indebtedness the terms of which provide for customary subordination in right of payment to the obligations of a Borrower or any of its Subsidiaries, as applicable, under this Agreement and the other Loan Documents.

"Subsidiary" means, at any time, any corporation, partnership, limited liability company or other entity of which at least a majority of the Voting Shares are at the time directly or indirectly owned or controlled by KCMH or one or more Subsidiaries of KCMH; provided that no Designated Entity shall be a Subsidiary.

"Support Payment" has the meaning specified in Section 2.06(a).

"Taxes" means all present and future taxes, duties, levies, imposts, deductions, charges or withholdings or similar charges, with respect to any amount payable on or in respect of any Loan Document, Loans, Notes or Letters of Credit, and all interest, penalties and similar amounts with respect thereto, now or thereafter imposed, assessed, levied or collected by any jurisdiction from which any amount payable under the Loan Documents is paid, or any political subdivision or taxing authority thereof or therein, or any organization or federation of which any of the foregoing may be a member or associated.

"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.

"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 Term SOFR (other than pursuant to clause (c) of the definition of "ABR") or the EURIBOR Rate.

"Term SOFR" means,

(a) for any calculation with respect to a Term Benchmark Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Determination Day; and

(b) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "ABR Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day.

provided, further, that if Term SOFR determined as provided above (including pursuant to the provision under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor,

"Term SOFR Administrator" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Total Credit Exposure" means, at any time, the sum of (a) the aggregate outstanding principal amount of the Loans (being the Dollar Equivalent thereof in the case of Loans denominated in an Alternate Currency) plus (b) the aggregate outstanding L/C Exposure.

"Total Debt" means, at any date, (a) all Indebtedness of the types described in clause (a), clause (c) (but, in the case of clause (c), only to the extent of any unreimbursed drawings under any letter of credit) and clause (e) of the definition thereof actually owing by KCMH and/or its Subsidiaries on such date to the extent appearing on the consolidated balance sheet of KCMH determined in accordance with GAAP (provided that the amount of any Finance Lease Obligations or any such Indebtedness issued at a discount to its face value shall be determined in accordance with GAAP) minus (b) the aggregate cash and Cash Equivalents included on the consolidated balance sheet of KCMH as at such date to the extent the use thereof for application to the payment of Indebtedness is not prohibited by law or any contract to which KCMH or any Subsidiary is a party; provided that for the purposes of this definition, Indebtedness shall not include (i) any Finance Subsidiary Debt (unless such Indebtedness is incurred by a Finance Subsidiary that is also a Borrower under this Agreement), (ii) any liabilities includable solely based on the application of ASC 810 or ASC 860 and (iii) any Indebtedness of any Designated Entity.

"Total Equity" means, as of any date of determination, (a) KCMH's consolidated partners' capital (or stockholders' equity, as the case may be) measured on a GAAP basis, minus (b) the sum of (i) any declared but unpaid distribution or dividend to KCMH's general or limited partners (or any other equity holders) and (ii) any loans or advances made to KCMH's general or limited partners (or any other equity holders); provided that Total Equity shall not include KCMH's partners' capital (or stockholders' equity, as the case may be) attributable to any Designated Entity and, in the event all or a substantial portion of the equity in a Finance Subsidiary is pledged to a third party, such Finance Subsidiary.

"Type" refers to whether a Loan is an ABR Loan, a Term Benchmark Loan or a RFR Loan.

"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.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"United States" or "U.S." means the United States of America.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"Voting Shares" means, with respect to any Person, such Person's Equity Interests having the right to vote for the election of directors, or other individuals performing similar functions, of such Person under ordinary circumstances.

"Wholly-Owned Subsidiary" means, with respect to any Person, any Subsidiary of which all of the Equity Interests (other than, in the case of a corporation, directors'

qualifying shares) are directly or indirectly owned or controlled by such Person or one or more Wholly-Owned Subsidiaries of such Person or by such Person and one or more Wholly-Owned Subsidiaries of such Person.

“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 Part I of Subtitle E of Title IV of ERISA.

“Write-Down and Conversion Powers” means, (a) 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, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” mean “to but excluding”. The words “include”, “includes” and “including” shall be deemed in each case 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 herein shall be construed in each case as referring to such agreement, instrument or other document as from time to time amended, modified or supplemented, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed in each case to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import shall be construed in each case to refer to this Agreement in its entirety and not to any particular provision hereof, and (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement. For the avoidance of doubt, references in Articles VIII and IX to the Lenders shall include in each case the Issuing Lender, unless the context otherwise requires. For the purposes of Section 2.05 only, the term “Borrower” or “Borrowers” shall exclude any Broker-Dealer Subsidiary.

SECTION 1.03. Accounting Terms; GAAP; Calculation of Debt to Equity Ratio

(a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that if the Borrower notifies the Administrative Agent that it requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in

GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

(b) Calculation of the Debt to Equity Ratio shall be based on relevant information in the financial statements and asset schedules delivered pursuant to Sections 6.01(a)(i), (ii) and (vi) giving pro forma effect to such information where appropriate; provided that the amount of Total Debt shall be the amount outstanding as of the date of determination after giving effect to the incurrence of any Indebtedness on such date of determination.

SECTION 1.04. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 1.05. Interest Rates. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or with respect to any alternative, successor or replacement rate thereof (including any Benchmark Replacement), or any calculation, component definition thereof or rate referenced in the definition thereof, including, without limitation, (i) any such alternative, successor or replacement rate (including any Benchmark Replacement) implemented pursuant to Section 3.04 upon the occurrence of a Benchmark Transition Event, and (ii) the effect, implementation or composition of any Benchmark Replacement Conforming Changes pursuant to Section 3.04(c), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or have the same volume or liquidity as did ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark prior to its discontinuance or unavailability. In addition, the discontinuation of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark and any alternative, successor or replacement reference rate may result in a mismatch between the reference rate referenced in this Agreement and your other financial instruments, including potentially those that are intended as hedges. The Administrative Agent and its Affiliates and/or other related entities may engage in transactions that affect the calculation of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or any alternative, successor or replacement rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, with all determinations of such ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily

Simple RFR or any Benchmark or such alternative, successor or replacement rate by the Administrative Agent to be conclusive, absent manifest error. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or any such alternative, successor or replacement rate, in each case pursuant to the terms of this Agreement (as amended, amended and restated, supplemented or otherwise modified from time to time), and shall have no liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II

THE COMMITMENTS

SECTION 2.01. The Loans.

(a) (i) Each Lender severally agrees, on and subject to the terms and conditions of this Agreement, to make loans to the Borrowers under this Section 2.01(a)(i) (each, a "Loan") from time to time on any Business Day during the Availability Period, in an aggregate principal amount at any one time outstanding up to but not exceeding the Commitment of such Lender and, as to all Lenders and all Borrowers, in an aggregate principal amount at any one time outstanding up to but not exceeding the Aggregate Borrowing Availability (or the Alternate Currency Equivalent thereof).

(ii) ABR Loans shall be denominated in Dollars, Term Benchmark Loans may be denominated in Dollars or Euros, and RFR Loans shall be denominated in Sterling (or subject to a Benchmark Replacement, Dollars).

(iii) Anything in this Agreement to the contrary notwithstanding, (A) the Total Credit Exposure shall not at any time exceed the then Aggregate Facility Amount and (B) the obligation of the Lenders to make Loans is subject to the Concentration Limits.

(iv) Within such limits, the Borrowers may from time to time borrow under this Section 2.01, prepay Loans in whole or in part pursuant to Section 3.06(a) and reborrow under this Section 2.01.

(v) The Borrowers shall be co-borrowers with respect to each Borrowing, and shall be jointly and severally liable for all obligations and liabilities with respect thereto in accordance with Sections 2.05 and 2.06.

(b) Borrowing Procedure. (i) Each Borrowing shall be in a minimum amount of \$5,000,000 in the case of a Borrowing of Term Benchmark Loans and RFR Loans, or \$1,000,000, in the case of a Borrowing of ABR Loans, or in each case an integral multiple of \$1,000,000 in excess thereof (or, in the case of a Borrowing denominated in an Alternate

Currency, the Alternate Currency Equivalent thereof, rounded to the nearest 1,000 units of such Alternate Currency), and shall be made on notice by the requesting Borrower to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of such Borrowing in the case of a Borrowing consisting of Term Benchmark Loans or RFR Loans or not later than 11:00 a.m. (New York time) on the date of such Borrowing in the case of a Borrowing consisting of ABR Loans, and the Administrative Agent shall give each Lender prompt notice thereof.

(ii) Each such notice of a Borrowing (a Notice of Borrowing) shall be irrevocable and binding on the Borrowers and shall be in substantially the form of Exhibit C, specifying therein the requested (1) date of such Borrowing (which shall be a Business Day), (2) Type of Loans comprising such Borrowing, (3) the applicable Borrowing Category (or as applicable Borrowing Categories), (4) aggregate amount of such Borrowing, stated in Dollars, and the Currency thereof and (5) in the case of a Borrowing of Term Benchmark Loans, initial Interest Period for such Loans.

(iii) Each Lender shall, before 1:00 p.m. (New York time) on the date of such Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at the Administrative Agent's Account, in same day funds, such Lender's ratable portion of such Borrowing.

(iv) After the Administrative Agent's receipt of such funds, and subject to the satisfaction of the applicable conditions set forth in Article IV, the Administrative Agent will make such funds available to the requesting Borrower by promptly crediting the amounts so received, in like funds, to such account of such Borrower as the Administrative Agent and such Borrower may agree.

(v) If the requesting Borrower fails to specify a Type of Loan in a Notice of Borrowing, then the applicable Loans shall be made as ABR Loans. If the requesting Borrower fails to provide a timely notice of Conversion or Continuation with respect to a Borrowing of Term Benchmark Loans, then such Borrower shall be deemed to have requested a Continuation with respect thereto with an Interest Period of one month. If the requesting Borrower requests a Borrowing of, Conversion to, or Continuation of Term Benchmark Loans in any such Notice of Borrowing, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. If the requesting Borrower requests a Borrowing of, Conversion to, or Continuation of Term Benchmark Loans in any such Notice of Borrowing, but fails to specify the Currency thereof, it will be deemed to have specified such Loans in Dollars.

(vi) After giving effect to all Borrowings, all Conversions and all Continuations, there shall not be more than 15 Interest Periods in effect.

For the avoidance of doubt, in no event shall any Borrower be permitted to request a Daily Simple RFR Loan denominated in Dollars until after the occurrence of a Benchmark Replacement pursuant to clause (1) of the definition thereof in accordance with Section 3.04(c).

(c) Types of Loans. Each Borrowing and each Conversion or Continuation thereof shall consist of Loans of the same Type (and, if such Loans are Term Benchmark Loans, having the same Interest Period) made, Continued or Converted on the same day by the Lenders ratably according to their Commitment Percentages.

(d) Accounts. (i) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(ii) The Administrative Agent shall maintain accounts in which it shall record (x) the amount of each Loan, the Type thereof, the Borrowing Category applicable thereto and the Interest Period applicable thereto, (y) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (z) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(iii) The entries made in the accounts maintained pursuant to this clause (d) shall be prima facie evidence of the existence and amounts of the obligations recorded therein 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 made to any Borrower or make payments for other obligations (including L/C Reimbursement Obligations) in accordance with the terms of this Agreement.

(e) Notes. Any Lender may, through the Administrative Agent, request that the Loans to be made by it be evidenced by a promissory note of the Borrowers. In such event, the Borrowers shall prepare, execute and deliver to such Lender a joint and several promissory note payable to such Lender (or its registered assigns), substantially in the form of Exhibit A (each, a "Note"), in the amount of the Commitment of such Lender, dated the Closing Date and otherwise appropriately completed.

(f) To the extent that prior to the Closing Date, Existing Loans were made to the Borrower under the Existing Credit Agreement which remain outstanding as of the Closing Date, subject to the terms and conditions set forth in this Agreement, the parties hereto agree that on the Closing Date, the Existing Loans shall be re-evidenced as Loans under this Agreement and the terms of the Existing Loans shall be evidenced by this Agreement.

SECTION 2.02. Letter of Credit Facility.

(a) Letters of Credit. (i) Each Issuing Lender agrees, on and subject to the terms and conditions of this Agreement, to issue one or more letters of credit (each, a "Letter of Credit") for the account of a Borrower from time to time on any Business Day during the period from the Closing Date until the date ten Business Days before the Commitment Termination Date, provided, that the total L/C Exposure with respect to Letters of Credit may not at any time exceed the Letter of Credit Facility Amount.

(ii) Letters of Credit may be denominated in Dollars or any Alternate Currency, as requested in writing by the Borrower.

(iii) Anything in this Agreement to the contrary notwithstanding, the issuance of Letters of Credit shall be subject to the limitations set forth in Section 2.01(a)(iii) and to the Concentration Limits.

(iv) Within the foregoing limits, and subject to the terms and conditions hereof, a Borrower's ability to obtain Letters of Credit shall be revolving, and accordingly a Borrower may, during the period referred to in clause (i) above, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(v) The Borrowers shall be co-obligors with respect to each Letter of Credit, and shall be jointly and severally liable for all obligations and liabilities with respect thereto in accordance with Sections 2.05 and 2.06.

(b) Terms; Issuance. (i) Each Letter of Credit shall be in a form reasonably satisfactory to the relevant Issuing Lender and have a stated expiration date that is no later than the earlier of (x) one year after its date of issuance and (y) five Business Days prior to the Commitment Termination Date; provided that a Letter of Credit with a one-year tenor may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond a date five Business Days prior to the Commitment Termination Date (except that one or more Letters of Credit may expire up to one year after the Commitment Termination Date if each such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the Borrowers, the relevant Issuing Lender and the Administrative Agent)).

(ii) An Issuing Lender shall be under no obligation to issue any Letter of Credit if (A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Lender from issuing such Letter of Credit, or any law applicable to such Issuing Lender or any directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Lender shall prohibit, or direct that such Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Lender with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Lender is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such Issuing Lender any unreimbursed loss, cost or expense which was not applicable on the Closing Date (for which such Issuing Lender is not otherwise compensated hereunder), or (B) the issuance of such Letter of Credit would violate any laws binding upon such Issuing Lender.

(c) Issuance Procedure. (i) Each Letter of Credit shall be issued upon notice, given not later than 11:00 a.m. (New York time) on the third Business Day prior to the proposed issuance date of such Letter of Credit, by the requesting Borrower to the relevant Issuing Lender (or such shorter notice as shall be acceptable to such Issuing Lender), with a copy to the Administrative Agent, and the Administrative Agent shall give to each Lender prompt notice

thereof by telecopier or email. Each such notice from the requesting Borrower (a "Notice of Issuance") shall be by telecopier or email, confirmed promptly by hard copy, specifying therein the Issuing Lender and the requested date of issuance (which shall be a Business Day) of such Letter of Credit, its face amount and expiration date and the name and address of the beneficiary thereof, and shall attach the proposed form thereof (or such other information as shall be necessary to prepare such Letter of Credit). If requested by the applicable Issuing Lender, the requesting Borrower shall supply such application and agreement for letter of credit, in the form reasonably satisfactory to the relevant Issuing Lender, as the relevant Issuing Lender may require in connection with such requested Letter of Credit ("L/C Related Documents") along with such other information reasonably related to the requested Letter of Credit.

(ii) If the proposed Letter of Credit complies with the requirements of this Section 2.02, such Issuing Lender will, unless the Issuing Lender has received written notice from the Administrative Agent, that one or more of the applicable conditions set forth in Article IV shall not be satisfied, make such Letter of Credit available to the requesting Borrower as agreed with the requesting Borrower in connection with such issuance. In the event and to the extent that the provisions of any L/C Related Documents shall conflict with this Agreement, the provisions of this Agreement shall govern.

(iii) Each Issuing Lender shall furnish (A) upon request of the Administrative Agent, copies of the Letters of Credit issued by it hereunder, and (B) to the Administrative Agent on the first Business Day of each fiscal quarter a written report setting forth the Letters of Credit issued in Alternate Currencies, solely for purposes of determining the Dollar Equivalent thereof.

(d) Reimbursement; Syndicate Participation. (i) Automatically upon the issuance of each Letter of Credit, each Lender shall be deemed to have automatically and unconditionally acquired a participation therein to the extent of such Lender's Commitment Percentage on the terms provided in this clause (d) without any further action.

(ii) Upon receipt from the beneficiary of any Letter of Credit of any notice of drawing under such Letter of Credit, the relevant Issuing Lender shall notify the requesting Borrower and the Administrative Agent thereof. Not later than 1:00 p.m. (New York time) on the second Business Day following any L/C Payment by an Issuing Lender (the "Honor Date"), the Borrowers jointly and severally agree to reimburse such Issuing Lender directly in an amount equal to the amount of such L/C Payment.

(iii) If the Borrowers fail to so reimburse such Issuing Lender by such date, or if any amounts reimbursed by any Borrower are required to be returned or disgorged for any reason, such Issuing Lender shall promptly notify the Administrative Agent and the Administrative Agent shall promptly notify each Lender of the Honor Date, the unreimbursed amount of such L/C Payment (the "Unreimbursed Amount"), and the amount of such Lender's pro rata share thereof. In such event, such Borrower shall be irrevocably deemed to have requested a Borrowing of ABR Loans to be disbursed on the Honor Date in an aggregate Dollar Equivalent amount equal to the Unreimbursed Amount (without regard to the minimum and multiples specified in Section 2.01(b));

provided that, notwithstanding any other provision to the contrary in this Section 2.02, no such Borrowing of ABR Loans shall be permitted unless the Debt to Equity Ratio shall be less than or equal to **[**]** to 1.00 after giving pro forma effect to such Borrowing and the conditions specified in clauses (a) and (b) of Section 4.02 have been satisfied on or as of the date of such Borrowing. Any notice given by an Issuing Lender or the Administrative Agent pursuant to this Section 2.02(d)(iii) may be given by telephone if immediately confirmed in writing; provided, that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(iv) Subject to the proviso in Section 2.02(d)(iii), each Lender (including any Lender acting as an Issuing Lender) unconditionally agrees upon any notice pursuant to Section 2.02(d)(iii) to make funds available to the Administrative Agent for the account of the relevant Issuing Lender at the Administrative Agent's Account in an amount equal to its Commitment Percentage of the unpaid L/C Reimbursement Obligation not later than 1:00 p.m. (New York time) on the Business Day specified in such notice by the Administrative Agent, whereupon each Lender that so makes funds available shall be deemed to have made an ABR Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the relevant Issuing Lender.

(v) The Borrowers jointly and severally agree to pay interest on the unreimbursed amount of each L/C Reimbursement Obligation to the relevant Issuing Lender, for each day from the date of the relevant L/C Payment until such L/C Reimbursement Obligation is reimbursed or refinanced in full as herein provided, at the rate provided in Section 3.02(b)(ii).

(vi) Subject to the proviso in Section 2.02(d)(iii), each Lender's obligation to make the payments provided in clause (iv) above to reimburse an Issuing Lender for any L/C Payment shall be absolute and unconditional and shall not be affected by (A) any setoff or counterclaim which such Lender may have against an Issuing Lender, any Borrower or any other Person, (B) the occurrence or continuance of a Default or any reduction or termination of the Commitments or any of them, (C) any of the matters referred to in clause (e) below or (D) any other circumstance whatsoever.

(vii) If any Lender fails timely to make available to the Administrative Agent for the account of an Issuing Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.02, such Issuing Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such Issuing Lender at a rate per annum equal to the Federal Funds Rate from time to time in effect (without duplication of amounts paid by any Borrower under clause (v) above). A certificate of such Issuing Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vii) shall be conclusive absent manifest error.

***[**]**=Certain information contained in this document, marked by "**[**]**", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

(viii) At any time after an Issuing Lender has made an L/C Payment and has received funds from a Lender in respect of such payment in accordance with Section 2.02, if the Administrative Agent receives for the account of such Issuing Lender any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from a Borrower or otherwise, including proceeds of cash collateral applied thereto by the Administrative Agent), the Administrative Agent will promptly distribute to such Lender its pro rata share thereof in the same funds as those received by the Administrative Agent.

(e) Borrowers Obligations Unconditional. The joint and several obligation of the Borrowers to reimburse each Issuing Lender for each L/C Payment under each Letter of Credit shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances whatsoever, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, any Loan Document or any other agreement or instrument relating thereto;

(ii) the existence of any claim, counterclaim, set-off, defense or other right that the Borrower may have at any time against any beneficiary of such Letter of Credit (or any Person for whom any such beneficiary may be acting), such Issuing Lender or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto; or

(iii) any sight draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect, or any loss or delay in the transmission or otherwise of any document required in order to obtain an L/C Payment under such Letter of Credit; or

(iv) any payment by such Issuing Lender under such Letter of Credit against presentation of a sight draft or certificate that does not strictly comply with the terms of such Letter of Credit or any payment made by such Issuing Lender under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any bankruptcy, insolvency, reorganization or similar law.

(f) Issuing Lender Rights. Each Lender and each Borrower agrees that, in making any L/C Payment under a Letter of Credit, the relevant Issuing Lender shall not have any responsibility to obtain any document (other than any sight draft, certificate and other document expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering the same. None of the Issuing Lenders, the Administrative Agent, any of the respective Related Parties, nor any correspondents, participants or assignees of the Issuing Lender shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the

Lenders or the Majority Lenders, as applicable, (ii) any action taken or omitted in the absence of bad faith, gross negligence or willful misconduct, or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or L/C Related Document. None of the Issuing Lenders, the Administrative Agent, any of the respective Related Parties, nor any correspondents, participants or assignees of the Issuing Lender, shall be liable or responsible for any of the matters described in Section 2.02(e); provided that anything therein or elsewhere in this Agreement to the contrary notwithstanding, the Borrowers may have a claim against an Issuing Lender, and such Issuing Lender may be liable to the Borrowers, to the extent, but only to the extent, of any direct (as opposed to special, indirect, consequential or punitive) damages suffered by the Borrowers which were directly caused by such Issuing Lender's bad faith, willful misconduct or gross negligence as determined by a final and nonappealable ruling of a court of competent jurisdiction. In furtherance and not in limitation of the foregoing, each Issuing Lender may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

(g) Applicability of ISP98. Unless otherwise expressly agreed by an Issuing Lender and the requesting Borrower when a Letter of Credit is issued, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance) shall apply to each Letter of Credit.

SECTION 2.03. Fees.

(a) Agency Fee. The Borrowers jointly and severally agree to pay to the Administrative Agent, for the Administrative Agent's own account, an administrative agency fee at the times and in the amounts as agreed in writing by KCMH and the Administrative Agent.

(b) Facility Fee. The Borrowers jointly and severally agree to pay to the Administrative Agent, for the account of each Lender, a facility fee on the amount of the Commitment of such Lender for each day during the period from the date hereof until the Commitment Termination Date, at the rate calculated based on usage of the Aggregate Facility Amount in accordance with the fee schedule set forth on Annex A, payable quarterly in arrears on the entire Aggregate Facility Amount (irrespective of usage) on the last Business Day of March, June, September and December of each year, on the Commitment Termination Date and on the date of termination of the Commitments.

(c) Letter of Credit Fees.

(i) The Borrowers jointly and severally agree to pay to the Administrative Agent, for the pro rata account of the Lenders based on their respective Commitment Percentages, a commission on the average daily undrawn amount of each outstanding Letter of Credit at a rate equal to the Applicable Margin then in effect for Loans (minus the amount of the fronting fee referred to below), payable quarterly in arrears on the last Business Day of March, June, September and December of each year and on the Commitment Termination Date, commencing on the first such date after the date hereof.

(ii) The Borrowers jointly and severally agree to pay to each Issuing Lender, for the sole account of such Issuing Lender, (x) a fronting fee with respect to each Letter of Credit issued by such Issuing Lender, payable quarterly in arrears on the last Business Day of each March, June, September and December and on the Commitment Termination Date, in an amount equal to **[**]**% per annum of the average daily available amount of such Letter of Credit and (y) such customary fees and charges in connection with the issuance or administration of each Letter of Credit issued by such Issuing Lender as may be agreed in writing between KCMH and such Issuing Lender from time to time. The Issuing Lender will notify the Borrowers of any and all such fees and charges payable under this Section.

(d) Other Fees. The Borrower shall pay to the Administrative Agent and the Lead Arranger for their own respective accounts such other fees in the amounts and at the times as may be agreed in writing between KCMH and the Administrative Agent and/or the Lead Arranger.

SECTION 2.04. Changes of Commitments.

(a) Commitment Termination Date. The Commitment of each Lender shall be automatically reduced to zero on the Commitment Termination Date.

(b) Commitment Termination or Reduction. KCMH shall have the right, upon at least three Business Days' notice to the Administrative Agent, to terminate in whole or reduce ratably in part the unused portions of the Commitments; provided, that (i) each partial reduction shall be in a minimum aggregate amount of \$5,000,000 and (ii) after giving effect to such termination or reduction, (A) the Total Credit Exposure does not exceed the Aggregate Facility Amount and (B) the L/C Exposure does not exceed the Letter of Credit Facility Amount. Once terminated or reduced, the Commitments may not be reinstated.

SECTION 2.05. Concerning Joint and Several Liability of the Borrowers.

(a) Each of the Borrowers is accepting joint and several liability hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Lenders and the Administrative Agent under this Agreement, for the mutual benefit, directly and indirectly, of each of the Borrowers and in consideration of the undertakings of each other Borrower to accept joint and several liability for the Obligations.

(b) Each of the Borrowers, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a primary obligor and co-debtor, joint and several liability with each other Borrower, with respect to the payment and performance of all of the Obligations (including, without limitation, any Obligations arising under this Section 2.05), it being the intention of the parties hereto that all the Obligations shall be the joint and several obligations of each of the Borrowers without preferences or distinction among them.

(c) If and to the extent that any of the Borrowers shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the

***[**]**=Certain information contained in this document, marked by "**[**]**", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

Obligations in accordance with the terms thereof, then, in each such event, the other Borrowers will make such payment with respect to, or perform, such Obligation.

(d) The Obligations of each of the Borrowers under the provisions of this Section 2.05 constitute the full recourse Obligations of each of the Borrowers enforceable against each such Person to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of this Agreement or the other Loan Documents or any other circumstance whatsoever.

(e) Except as otherwise expressly provided herein, each Borrower hereby waives promptness, diligence, presentment, demand, protest, notice of acceptance of its joint and several liability, notice of any and all advances of the Loans made under this Agreement and any promissory note issued hereunder, notice of occurrence of any Default or Event of Default (except to the extent notice is expressly required to be given pursuant to the terms of this Agreement or any of the other Loan Documents), or of any demand for any payment under this Agreement, notice of any action at any time taken or omitted by the Administrative Agent or the Lenders under or in respect of any of the Obligations hereunder, any requirement of diligence and, generally, all demands, notices and other formalities of every kind in connection with this Agreement and the other Loan Documents. Each Borrower hereby waives all defenses which may be available by virtue of any valuation, stay, moratorium law or other similar law now or hereafter in effect, any right to require the marshaling of assets of the Borrowers and any other entity or Person primarily or secondarily liable with respect to any of the Obligations, and all surety ship defenses generally. Each Borrower hereby assents to, and waives notice of, any extension or postponement of the time for the payment, or place or manner for payment, compromise, refinancing, consolidation or renewals of any of the Obligations hereunder, the acceptance of any partial payment thereon, any waiver, consent or other action or acquiescence by the Administrative Agent and the Lenders at any time or times in respect of any default by any Borrower in the performance or satisfaction of any term, covenant, condition or provision of this Agreement and the other Loan Documents, any and all other indulgences whatsoever by the Administrative Agent and the Lenders in respect of any of the Obligations hereunder, and the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of such Obligations or the addition, substitution or release, in whole or in part, of any Borrower or any other entity or Person primarily or secondarily liable for any Obligation. Each Borrower further agrees that its Obligations shall not be released or discharged, in whole or in part, or otherwise affected by the adequacy of any rights which the Administrative Agent or any Lender may have against any collateral security, guaranty or other means of obtaining repayment of any of the Obligations, the impairment of any collateral security securing or guaranty supporting the Obligations, including, without limitation, the failure to protect or preserve any rights which any Administrative Agent or any Lender may have in such collateral security or guaranty or the substitution, exchange, surrender, release, loss or destruction of any such collateral security, any other act or omission which might in any manner or to any extent vary the risk of such Borrower, or otherwise operate as a release or discharge of such Borrower, all of which may be done without notice to such Borrower. If for any reason any other Borrower has no legal existence or is under no legal obligation to discharge any of the Obligations, or if any of the Obligations have become irrecoverable from any other Borrower by reason of such other Borrower's insolvency, bankruptcy or reorganization or by other operation of law or for any reason, this Agreement and the other Loan Documents to which it is a party shall nevertheless be

binding on such Borrower to the same extent as if such Borrower at all times had been the sole obligor on such Obligations. Without limiting the generality of the foregoing, each Borrower assents to any other action or delay in acting or failure to act on the part of the Administrative Agent and the Lenders, including, without limitation, any failure strictly or diligently to assert any right or to pursue any remedy or to comply fully with applicable laws or regulations thereunder which might, but for the provisions of this Section 2.05, afford grounds for terminating, discharging or relieving such Borrower, in whole or in part, from any of its obligations under this Section 2.05, it being the intention of each Borrower that, so long as any of the Obligations hereunder remain unsatisfied, the obligations of such Borrower under this Section 2.05 shall not be discharged except by performance and then only to the extent of such performance. The Obligations of each Borrower under this Section 2.05 shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, reconstruction or similar proceeding with respect to any reconstruction or similar proceeding with respect to any other Borrower, or any of the Lenders. The joint and several liability of the Borrowers hereunder shall continue in full force and effect notwithstanding any absorption, merger, amalgamation or any other change whatsoever in the name, ownership, membership, constitution or place of formation of any Borrower or the Lenders. Each of the Borrowers acknowledges and confirms that it has itself established its own adequate means of obtaining from the other Borrowers on a continuing basis all information desired by such Borrower concerning the financial condition of the other Borrowers and that each such Borrower will look to the other Borrowers and not to the Administrative Agent or any Lender in order for such Borrower to keep adequately informed of changes in the other Borrowers' respective financial conditions.

(f) The provisions of this Section 2.05 are made for the benefit of the Lenders and the Administrative Agent and their respective permitted successors and assigns, and may be enforced by it or them from time to time against any or all of the Borrowers as often as occasion therefor may arise and without requirement on the part of the Lenders, the Administrative Agent or such successor or assign first to marshal any of its or their claims or to exercise any of its or their rights against the other Borrowers or to exhaust any remedies available to it or them against any other Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this Section 2.05 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied and all Commitments terminated. If at any time, any payment, or any part thereof made in respect of any of the Obligations, is rescinded or must otherwise be restored or returned by any Lender or the Administrative Agent upon the insolvency, bankruptcy or reorganization of any of the Borrowers, or otherwise, the provisions of this Section 2.05 will forthwith be reinstated in effect, as though such payment had not been made.

(g) Each of the Borrowers hereby agrees that it will not enforce any of its rights of reimbursement, contribution, subrogation or the like against any other Borrower with respect to any liability incurred by it hereunder or under any of the other Loan Documents, any payments made by it to any of the Lenders or the Administrative Agent with respect to any of the Obligations or any collateral security therefor until such time as all of the Obligations have been indefeasibly paid in full in cash and all Commitments terminated. Any claim which any Borrower may have against any other Borrower with respect to any payments to the Lenders or the Administrative Agent hereunder or under any other Loan Documents are hereby expressly

made subordinate and junior in right of payment, without limitation as to any increases in the Obligations arising hereunder or thereunder, to the prior payment in full of the Obligations and, in the event of any insolvency, bankruptcy, receivership, liquidation, reorganization or other similar proceeding under the laws of any jurisdiction relating to any Borrower, its debts or its assets, whether voluntary or involuntary, all such Obligations shall be paid in full before any payment or distribution of any character, whether in cash, securities or other property, shall be made to any other Borrower therefor.

(h) Each of the Borrowers hereby agrees that the payment of any amounts due with respect to the indebtedness owing by any Borrower to any other Borrower is hereby subordinated to the prior payment in full in cash of the Obligations and the termination of the all Commitments. Each Borrower hereby agrees that after the occurrence and during the continuance of any Event of Default, unless the Administrative Agent otherwise agrees, such Borrower will not demand, sue for or otherwise attempt to collect any indebtedness of any other Borrower owing to such Borrower until the Obligations shall have been paid in full in cash. If, notwithstanding the foregoing sentence, such Borrower shall collect, enforce or receive any amounts in respect of such indebtedness, such amounts shall be collected, enforced and received by such Borrower as trustee for the Administrative Agent on account of the Obligations and shall be paid promptly after receipt to the Administrative Agent.

SECTION 2.06. Contribution.

(a) To the extent that any Borrower shall make a payment under Section 2.05 of all or any of the Obligations (other than Loans made to that Borrower for which it is primarily liable) (a “Support Payment”) that, taking into account all other Support Payments then previously or concurrently made by any other Borrower, exceeds the amount that such Borrower would otherwise have paid if each Borrower had paid the aggregate Obligations satisfied by such Support Payment in the same portion that such Borrower’s Allocable Amount (as determined immediately prior to such Support Payment) bore to the aggregate Allocable Amounts of each of the Borrowers as determined immediately prior to the making of such Support Payment, then, following indefeasible payment in full in cash of the Obligations and termination of the Commitments, such Borrower shall be entitled to receive contribution and indemnification payments from, and be reimbursed by, the other Borrowers for the net amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Support Payment.

(b) As of any date of determination, the “Allocable Amount” of any Borrower shall be equal to the maximum amount of the claim that could then be recovered from such Borrower under Section 2.06(a) without rendering such claim voidable or avoidable under Section 548 of Chapter 11 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law.

(c) This Section 2.06 is intended only to define the relative rights of Borrowers and nothing set forth in this Section 2.06 is intended or shall impair the obligations of the Borrowers, jointly and severally, to pay any amounts as and when the same shall become due and payable in accordance with the terms of this Agreement, including Section 2.05. Nothing

contained in this Section 2.06 shall limit the liability of any Borrower to pay the Loans or L/C Reimbursement Obligations made directly or indirectly to or for the benefit of that Borrower and accrued interest, fees and expenses with respect thereto for which such Borrower shall be primarily liable.

(d) The parties hereto acknowledge that the rights of contribution and indemnification of any Borrower under this Section 2.06 shall constitute assets of such Borrower.

(e) The rights of an indemnifying Borrower against the other Borrowers under this Section 2.06 shall be exercisable upon the full and indefeasible payment of the Obligations and the termination of Commitments.

ARTICLE III

PAYMENTS

SECTION 3.01. Repayment. Each Borrower agrees to repay the full principal amount of each Loan by each Lender, and each such Loan shall mature, on the Commitment Termination Date.

SECTION 3.02. Interest.

(a) Ordinary Interest. The Borrowers jointly and severally agree to pay interest on the unpaid principal amount of each Loan, from the date of such Loan until such principal amount shall be paid in full, at the following rates per annum:

(i) ABR Loans. While such Loan is an ABR Loan, a rate per annum equal to the ABR in effect from time to time plus the Applicable Margin as in effect from time to time, interest under this clause (i) to be payable quarterly in arrears on the last Business Day of each March, June, September and December and on the date such ABR Loan shall be Converted and on the date of each payment of principal thereof.

(ii) Term Benchmark Loans. While such Loan is a Term Benchmark Loan (x) denominated in Dollars, a rate per annum for each such Interest Period for such Loan equal to Term SOFR for such Interest Period plus the Applicable Margin as in effect from time to time and (y) denominated in Euros, a rate per annum for each such Interest Period for such Loan equal to the EURIBOR Rate, and in each case, interest under this clause (ii) to be payable on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on the date three months after the first day of such Interest Period, and on each date on which such Term Benchmark Loan shall be Continued or Converted and on the date of each payment of principal thereof.

(iii) RFR Loans. While such Loan is a RFR Loan, a rate per annum equal to the applicable Daily Simple RFR in effect from time to time plus the Applicable Margin as in effect from time to time, interest under this clause (iii) to be payable quarterly in arrears on the last Business Day of each March, June, September and December and on

the date such RFR Loan shall be Converted and on the date of each payment of principal thereof.

(b) Default Interest. Notwithstanding the foregoing, the Borrowers jointly and severally shall pay interest on:

(i) any principal of any Loan that is not paid when due (whether at scheduled maturity or otherwise), payable on demand and in any event on the date such amount shall be paid, at a rate per annum equal at all times to two percent (2%) per annum above the rate per annum required to be paid on such Loan pursuant to said Section 3.02(a)(i) or (a)(ii), as applicable; and

(ii) any interest, fee or other amount thereof (other than any principal) that is not paid when due, from the due date thereof until such amount shall be paid, payable on demand and in any event on the date such amount shall be paid in full, at a rate per annum equal at all times to two percent (2%) per annum above the rate per annum then required to be paid on ABR Loans.

SECTION 3.03. [Reserved].

SECTION 3.04. Interest Rate Determinations.

(a) Notice of Interest Rates. The Administrative Agent shall give prompt notice to KCMH and the Lenders of the applicable interest rates determined by the Administrative Agent.

(b) Inability to Determine Rates. Subject to clause (c) of this Section 3.04, if, the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (x)(i) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining Term SOFR or the EURIBOR Rate (including because the Screen Rate is not available or published on a current basis for such Interest Period), for the applicable Specified Currency and such Interest Period or (ii) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Daily Simple RFR for the applicable Specified Currency or (y) the Majority Lenders notify the Administrative Agent that (i) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, Term SOFR or the EURIBOR Rate, as applicable, for such Loans will not fairly reflect the cost to such Majority Lenders of making, funding or maintaining their respective Term Benchmark Loans or (ii) at any time, the applicable Daily Simple RFR will not fairly reflect the cost to such Majority Lenders of making, funding or maintaining their respective RFR Loans, the Administrative Agent shall so notify KCMH and the Lenders, whereupon the Administrative Agent will promptly so notify the Borrower and each Lender and:

(i) any Notice of Borrowing requesting a Borrowing comprised of Term Benchmark or RFR Loans, as applicable, shall be ineffective;

(ii) each Term Benchmark Loan will automatically, on the last day of the then current Interest Period and each RFR Loan will automatically, on the last day of the then current calendar quarter, as applicable, be Converted into an ABR Loan; and

(iii) the obligation of the Lenders to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended until the Administrative Agent shall notify KCMH and such Lenders that the circumstances causing such suspension no longer exist.

(c) Benchmark Replacement Setting.

(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedging Agreement shall be deemed not to be a "Loan Document" for purposes of this 3.04(c)), 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 relevant then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" 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" 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 by the Administrative Agent to the Lenders and the Borrower 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 Majority Lenders. If the Benchmark Replacement is Daily Simple RFR denominated in Dollars, all interest payments will be payable on a quarterly basis.

(ii) Benchmark Replacement Conforming Changes. In connection with the use, implementation or administration of Term SOFR or the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent, in consultation with the Borrower, 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 (other than as provided in the definition of Benchmark Replacement Conforming Changes).

(iii) Notices: Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (u) any occurrence of a Benchmark Transition Event, (v) the occurrence of a Benchmark Replacement Date, (w) the implementation of any Benchmark Replacement, (x) the effectiveness of any Benchmark Replacement Conforming Changes, (y) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (iv) below and (z) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or

election that may be made by the Administrative Agent, the Borrower or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.04(c), 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 3.04(c).

(iv) Unavailability of Tenor of Benchmark 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), (x) if a then-current Benchmark is a term rate (including the Term SOFR Reference Rate or EURIBOR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark (1) is no longer representative or will no longer be representative as of a specified date or (2) will cease to be provided by the administrator permanently or indefinitely as of a specified date, then the Administrative Agent may modify the definition of "Interest Period" for any setting of such Benchmark at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (y) if a tenor that was removed pursuant to clause (x) above either (A) is subsequently displayed on a screen or information service for such Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is no longer or will no longer be representative for such Benchmark (including a Benchmark Replacement) or will cease to be provided by the administrator, then the Administrative Agent may modify the definition of "Interest Period" for all settings of such Benchmark at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a borrowing of Term Benchmark Loans or RFR Loans, or Conversion to or Continuation of Term Benchmark Loans to be made, Converted or Continued in the relevant then-current Benchmark during any Benchmark Unavailability Period and, failing that, either (x) the Borrower will be deemed to have Converted any request for a borrowing of Term Benchmark Loans denominated in Dollars into a request for a borrowing of or Conversion to an ABR Borrowing and (y) any request for a borrowing of Term Benchmark Loans or RFR Loans denominated in an Alternate Currency shall be ineffective. Furthermore, if any Term Benchmark Loan or RFR Loan in any Specified Currency is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark or RFR Loan, then until such time as a Benchmark Replacement for such Specified Currency is implemented pursuant to this Section 3.04(c), (x) if such Loan is denominated in Dollars, then (A) 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) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan, (y) if such Loan is denominated in any Alternate Currency, then (A) 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 Alternate 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 Alternate Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Alternate Currency shall, at the Borrower's election prior to such day: (a) be prepaid by the Borrower on such day or solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Alternate 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 and (B) any RFR Loan shall bear interest at the Central Bank Rate for the applicable Alternate 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 Alternate Currency cannot be determined, any outstanding affected RFR Loans denominated in any Alternate Currency, at the Borrower's election, shall either (A) be converted into ABR Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternate Currency) immediately or (B) be prepaid in on the last day of such calendar quarter.

(d) Certain Mandatory Conversions.

(i) Upon the occurrence and during the continuance of any Event of Default, (x) each Term Benchmark Loan will automatically, on the last day of the then current Interest Period, and each RFR Loan will automatically, on the last day of the then current calendar quarter, as applicable, therefor, be Converted into an ABR Loan and (y) the obligation of the Lenders to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended.

(ii) If this Agreement shall require that any Term Benchmark Loan or RFR Loan be Converted to an ABR Loan and such Term Benchmark Loan or RFR Loan is denominated in an Alternate Currency, the Borrowers jointly and severally shall on the last day of the current Interest Period (in the case of a Term Benchmark Loan) or calendar quarter (in the case of a RFR Loan), as applicable, pay or prepay the full amount of such Term Benchmark Loan or RFR Loan, as applicable (provided, that the foregoing shall not prevent the Borrower from borrowing additional Loans to the extent otherwise permitted hereunder).

SECTION 3.05. Voluntary Conversion or Continuation of Loans.

(a) Conversions. The requesting Borrower may on any Business Day, upon written notice (or telephonic notice promptly confirmed in writing) given to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of the proposed Conversion, Convert all or any portion of the outstanding Loans of one Type comprising part of the same Borrowing into Loans of the other Type; provided that in the case of any such Conversion of a Term Benchmark Loan into an ABR Loan on a day other than the last day of an Interest Period, the Borrowers jointly and severally shall promptly reimburse the Lenders the amounts provided in Section 3.12 relating to such prepayment. Each such notice of a Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the Loans to be Converted, and (z) if such Conversion is into Term Benchmark Loans, the duration of the initial Interest Period for each such Loan. Each notice of Conversion shall be irrevocable and binding on the Borrowers.

(b) Continuations. The requesting Borrower may, on any Business Day, upon written notice (or telephonic notice promptly confirmed in writing) given to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of the proposed Continuation, Continue all or any portion of the outstanding Term Benchmark Loans comprising part of the same Borrowing for one or more Interest Periods. Each such notice of a Continuation shall, within the restrictions specified above, specify (i) the date of such Continuation, (ii) the Term Benchmark Loans to be Continued and (y) the duration of the next such Interest Period for such Term Benchmark Loans subject to such Continuation. Each notice of Continuation shall be irrevocable and binding on the Borrowers.

SECTION 3.06. Prepayments of Loans.

(a) Optional Prepayment. The requesting Borrower may, on notice (given not later than 11:00 a.m. (New York time) on the Business Day of the proposed prepayment of Loans, with respect to ABR Loans, and on the third Business Day prior to the date of prepayment with respect to Term Benchmark Loans or RFR Loans) stating the proposed date and aggregate principal amount (stated in Dollars) of the prepayment, and if such notice is given the Borrowers jointly and severally shall, prepay the outstanding principal amounts of the Loans comprising part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (i) each partial prepayment shall be in an aggregate principal amount not less than \$5,000,000 or integral multiples of \$1,000,000 in excess thereof (or, in the case of Loans denominated in an Alternate Currency, the Alternate Currency Equivalent thereof in such Alternate Currency) and (ii) in the case of any such prepayment of a Term Benchmark Loan on a day other than the last day of an Interest Period therefor, the Borrowers jointly and severally shall reimburse the Lenders the amounts provided in Section 3.12 relating to such prepayment.

(b) Alternate Currency Revaluation. If at any time by reason of fluctuations in foreign exchange rates the Total Credit Exposure exceeds 105% of the then aggregate amount of the Commitments, and the Majority Lenders so request, the Administrative Agent shall use all reasonable efforts to give prompt written notice thereof to KCMH, specifying the amount to be prepaid under this clause (b), and the Borrowers jointly and severally shall prepay Loans or, if no

Loans are outstanding, provide cash collateral for or otherwise backstop outstanding Letters of Credit on terms reasonably satisfactory to KCMH, the Issuing Lender and the Administrative Agent, in such aggregate amount as may be required to cause the Total Credit Exposure (treating such cash collateralization or other backstopping for purposes hereof as a reduction in such Total Credit Exposure) to be equal to or less than the aggregate amount of the Commitments, such payments or other measures to be made within 10 Business Days of demand or, in the case of prepayment of Term Benchmark Loans, on the date that is the earlier of (i) the last day of the then current Interest Period therefor and (ii) the last Business Day of the first full calendar month after such revaluation, provided that any such prepayment shall be accompanied by any amounts payable under Section 3.12. The determinations of the Administrative Agent hereunder shall be conclusive and binding on the Borrowers in the absence of manifest error.

SECTION 3.07. Payments; Computations; Etc.

(a) Pro Rata Payments. The Loans comprising each Borrowing shall be made pro rata among the Lenders based on their respective Commitment Percentages. Except as otherwise provided hereunder, all payments of principal of and interest on the Loans shall be made for the pro rata account of the Lenders based on the respective outstanding principal amounts thereof, and all payments of commitment fees and letter of credit commission shall be made for the pro rata account of the Lenders based on their respective Commitment Percentages.

(b) Lenders' Obligations Several. The obligations of the Lenders under this Agreement are several and the failure of any Lender to make any Loan or any payment required to be made by it hereunder shall not relieve any other Lender of its obligations hereunder, nor shall any Lender be responsible for any other Lender's failure to make any Loan required to be made by such other Lender.

(c) Currencies. All payments by the Borrower of or in respect of principal of and interest on and other amounts directly relating to any Loan that are denominated in an Alternate Currency shall be made in such Alternate Currency. All payments of principal and interest on any Loan denominated in Dollars, all payments in respect of any Letter of Credit, and all payments of fees payable pursuant to Section 2.03(c), commitment fees and agency fees hereunder and all other payments by any Borrower provided for in this Agreement, except as provided in the preceding sentence, shall be made in Dollars.

(d) Payments.

(i) The Borrowers shall make each payment hereunder and under each other Loan Document without set-off, counterclaim or deduction of any kind to the Administrative Agent at the Administrative Agent's Account in the Principal Financial Center for the relevant Currency not later than 11:00 a.m. Local Time on the due date of such payment (each such payment made after such time on such date to be deemed to have been made on the next Business Day).

(ii) The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest ratably to the Lenders as provided in Section 3.07(a) for the account of their respective Applicable Lending

Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Assumption and recording of the information contained therein in the Register pursuant to Section 9.06(c), from and after the assignment date set forth therein, the Administrative Agent shall remit all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Assumption shall make all appropriate adjustments in such payments for periods prior to such assignment date directly between themselves.

(e) Computations. All computations of interest based on the ABR (except any Federal Funds Rate component thereof) or the SONIA Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable. All computations of interest based on the Term SOFR Reference Rate, Daily Simple RFR with respect to Dollars or the Federal Funds Rate and of commitment fee shall be made by the Administrative Agent, and any computations of amounts payable pursuant to Section 3.03, shall be made on the basis of a year of 360 days, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or other amount is payable. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(f) Payment Dates. Whenever any payment hereunder or under the Notes would be due on a day other than a Business Day, such due date shall be extended to the next succeeding Business Day, and any such extension of such due date shall in such case be included in the computation of interest; provided, that if such extension would cause payment of principal or interest in respect of Term Benchmark Loans or RFR Loans to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(g) Presumption by Administrative Agent.

(i) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed time 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 its share available at such time in accordance with Section 2.01(b) and may (but shall not be obligated), in reliance upon such assumption, make available to a 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 (A) the applicable Lender, on one hand, and (B) the Borrowers on a joint and several basis on the other hand, severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to a Borrower to but excluding the date of payment to the Administrative Agent, at (x) in the case of a payment to be made by such Lender, the greater of (I) the Federal Funds Rate and (II)(a) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (if such Loan is denominated in Dollars), (b) at the overnight London interbank offered rate for the relevant Currency (if such Loan is

denominated in an Alternate Currency, other than Sterling) or (c) at SONIA Rate if such Loan is denominated in Sterling and (y) in the case of a payment to be made by a Borrower, the interest rate applicable to ABR Loans. If a 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 such Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by a Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Unless the Administrative Agent shall have received notice from KCMH prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may (but shall not be obligated), in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender 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 (x) the Federal Funds Rate and (y)(i) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (if such Loan is denominated in Dollars), (ii) at the EURIBOR Rate if such Loan is denominated in Euros or (iii) at SONIA Rate if such Loan is denominated in Sterling.

SECTION 3.08. Sharing of Payments, Etc. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, 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 Loans and other amounts owing them, provided, that:

(i) if any such participation is purchased and all or any portion of the related payment is recovered, such participation shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this subsection shall not be construed to apply to (x) any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans other than to a Borrower or any Subsidiary thereof (as to which the provisions of this subsection shall apply).

The Borrowers consent to the foregoing and agree, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrowers, jointly and severally, rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrowers in the amount of such participation.

SECTION 3.09. Increased Costs.

(a) Increased Costs. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.03) or the Issuing Lender; or

(ii) impose on any Lender or the Issuing Lender or applicable offshore interbank market for the applicable Alternate Currency any other condition, cost or expense 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 Term Benchmark Loan), or to increase the cost to such Lender or the Issuing Lender of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the Issuing Lender hereunder (whether of principal, interest or any other amount) then, from time to time upon request of such Lender or the Issuing Lender, the Borrowers jointly and severally will pay to such Lender or the Issuing Lender such additional amount or amounts as will compensate such Lender or the Issuing Lender, as the case may be, for such additional costs incurred or reduction suffered. This Section 3.09 shall not apply to Excluded Taxes or any matters covered by Section 3.11 relating to Taxes.

(b) Capital Requirements. If any Lender or the Issuing Lender determines that any Change in Law affecting such Lender or the Issuing Lender or any lending office of such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Lender's capital or on the capital of such Lender's or the Issuing Lender's holding company as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letter of Credit issued by the Issuing Lender, to a level below that which such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Lender's policies and the policies of such Lender's or the Issuing Lender's holding company with respect to capital adequacy), then from time to time upon request of such Lender or the Issuing Lender, the Borrowers jointly and severally will pay to such Lender or the Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company for such reduction.

(c) Certificates for Reimbursement. A certificate of any Lender or the Issuing Lender setting forth the amount or amounts and a reasonable basis for the determination thereof necessary to compensate such Lender or the Issuing Lender or its holding company, as the case may be, as specified in clauses (a) or (b) of this Section 3.09 and delivered to KCMH shall be conclusive on all Borrowers absent manifest error. The Borrowers jointly and severally shall pay such Lender or the Issuing Lender, as the case may be, the amount shown as due on any such certificate within 10 Business Days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the Issuing Lender to demand compensation pursuant to this Section 3.09 shall not constitute a waiver of such Lender's or the Issuing Lender's right to demand such compensation, provided, that the Borrowers shall not be required to compensate a Lender or the Issuing Lender pursuant to this Section for any increased costs incurred or reductions suffered more than 180 days prior to the date that such Lender or the Issuing Lender, as the case may be, notifies KCMH of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Lender's intention to claim compensation therefor (except 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).

SECTION 3.10. Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other Governmental Authority asserts that it is unlawful, for such Lender or its Lending Office to perform its obligations hereunder to make or continue Term Benchmark Loans or RFR Loans or to fund or otherwise maintain Term Benchmark Loans or RFR Loans hereunder, (a) the obligation of such Lender to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended until the Administrative Agent shall notify KCMH and the Lenders that the circumstances causing such suspension no longer exist and (b) each Term Benchmark Loan or RFR Loan of such Lender shall Convert into an ABR Loan at the end of the then current Interest Period for such Term Benchmark Loan, as applicable, if such Lender may lawfully continue to maintain such Term Benchmark Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term Benchmark Loans.

SECTION 3.11. Taxes.

(a) All payments on account of the principal of and interest on the Loans and the Notes, fees and all other amounts whatsoever payable by the Borrowers under the Loan Documents shall be made free and clear of and without reduction or liability for any Taxes, except as required by applicable law, decree or regulation.

(b) In the event that any Borrower or the Administrative Agent shall be required by applicable law, decree or regulation to deduct or withhold any Tax from any amounts payable to the Administrative Agent or any Lender on, under or in respect of this Agreement, the Loans or any Loan Document, the Borrowers jointly and severally shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, decree or regulation and, if such Tax is an Indemnified Tax, then the Borrowers jointly and severally shall promptly pay

such recipient such additional amounts as may be required, after the deduction or withholding of Indemnified Taxes, to enable such recipient to receive from the Borrowers on the due date thereof an amount equal to the full amount stated to be payable to such recipient.

(c) The Borrowers jointly and severally shall indemnify the Administrative Agent and each Lender (including each Issuing Lender) against, and reimburse them upon demand for, any incremental Taxes, interest or penalties, that they may incur at any time arising out of or in connection with any such failure of the Borrowers to make any payment of Indemnified Taxes when due.

(d) KCMH shall furnish to the Administrative Agent original or certified copies of official tax receipts in respect of each payment of Indemnified Taxes required under this Section 3.11, as soon as practicable after the date such payment is made, and the Borrowers shall promptly furnish to the Administrative Agent at its request or at the request of any Lender (through the Administrative Agent) to KCMH any other information, documents and receipts that the Administrative Agent or such Lender may reasonably require to establish that full and timely payment has been made of all Indemnified Taxes required to be paid under this Section 3.11.

(e)

(i) Each Lender or Participant that is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to KCMH and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) two copies of either U.S. Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, Form W-8ECI, Form W-8IMY, Form W-8EXP, or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit E-1, Exhibit E-2, Exhibit E-3 or Exhibit E-4, as applicable, and a Form W-8BEN or W-8BEN-E, as applicable, or any subsequent versions thereof or successors thereto, properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on all payments by the Borrower under this Agreement and the other Loan Documents. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation) and from time to time thereafter upon the reasonable request of KCMH or the Administrative Agent.

(ii) Each Lender that is a "U.S. Person" as defined in Section 7701(a)(30) of the Code shall deliver to KCMH and the Administrative Agent (or, in the case of a Participant of a Lender, to such Lender) 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 KCMH or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender or Participant, as applicable, is exempt from U.S. Federal backup withholding tax.

(iii) If the Administrative Agent is a "U.S. Person" as defined in Section 7701(a)(30) of the Code, then it shall, on or prior to the date of this Credit Agreement (or, in the case of a successor Administrative Agent, on or before the date on which it becomes the Administrative Agent hereunder), provide the Borrowers with a properly completed and duly executed copy of IRS Form W-9 (or any applicable successor form) confirming that the Administrative Agent is exempt from U.S. federal backup withholding. If the Administrative Agent is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code, then it shall, on or prior to the date of this Credit Agreement (or, in the case of a successor Administrative Agent, on or before the date on which it becomes the Administrative Agent hereunder), provide the Borrowers with, (i) with respect to payments made to the Administrative Agent for its own account, a properly completed and duly executed copy of IRS Form W-8ECI (or other applicable IRS Form W-8), and (ii) with respect to payments made to the Administrative Agent on behalf of the Lenders, a properly completed and duly executed IRS Form W-8IMY confirming that the Administrative Agent agrees (A) to be treated as a "United States person" for U.S. federal withholding Tax purposes and the payments it receives for the account of such Lenders are not effectively connected with the conduct of its trade or business in the United States or (B) is a "Qualified Intermediary" for U.S. federal withholding Tax purposes; provided, in each case, that the Administrative Agent shall not be required to deliver any documentation pursuant to this Section 3.11(e)(iii) that it is not legally eligible to deliver as a result of any change in, or in the interpretation by any Governmental Authority of, any law or the method by which such Administrative Agent must comply therewith occurring after the date hereof (or, in the case of a successor Administrative Agent, occurring after the date on which it becomes the Administrative Agent hereunder). Such Administrative Agent agrees that if such documentation previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or promptly notify the Borrowers in writing of its legal inability to do so.

(f) Each Lender shall deliver to any Borrower and the Administrative Agent at the time or times prescribed by applicable law and at such time or times reasonably requested by such Borrower or the Administrative Agent such documentation prescribed by applicable law and such additional documentation reasonably requested by such Borrower or the Administrative Agent as may be necessary for such Borrower or the Administrative Agent to comply with any obligations of such Borrower or the Administrative Agent, or to determine that such Lender has complied with its obligations or to determine the amount to deduct and withhold from any payment, under FATCA or any similar regime arising as a result of the transactions contemplated under any Loan Document. Solely for purposes of this paragraph (f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

In addition, each Lender shall deliver such forms promptly upon the written request of KCMH after the obsolescence or invalidity of any form previously delivered by such Lender under this Section 3.11. Each Lender shall promptly notify KCMH at any time it determines that it is no longer in a position to provide any previously delivered certificate to KCMH (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this paragraph, a Lender shall not be required to deliver any form pursuant to this paragraph that such Lender is not legally able to deliver.

(g) A Lender that is entitled to an exemption from or reduction of non-U.S. withholding tax under the law of the jurisdiction in which a Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to KCMH (with a copy to the Administrative Agent), on or prior to the date on which such Lender becomes a Lender under this Agreement or at the time or times prescribed by applicable law or reasonably requested by KCMH, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate, provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender's judgment such completion, execution or submission would not materially prejudice the legal position of such Lender.

(h) If the Administrative Agent, any Lender or the Issuing Lender determines, in its sole discretion, that it has received a refund or credit (in lieu of such refund) of any Taxes or Other Taxes as to which it has been indemnified by the Borrowers or with respect to which a Borrower has paid additional amounts pursuant to this Section 3.11, it shall pay to such Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Borrower under this Section 3.11 with respect to the Taxes or Other Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses of the Administrative Agent, any Lender or the Issuing Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Borrower, upon the request of the Administrative Agent, any Lender or the Issuing Lender, agrees to repay the amount paid over to such Borrower to the Administrative Agent, any Lender or the Issuing Lender in the event the Administrative Agent, any Lender or the Issuing Lender is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent, any Lender or the Issuing Lender to make available its tax returns or its books or records (or any other information relating to its taxes that it deems confidential) to any Borrower or any other Person.

(i) Notwithstanding anything in this Agreement to the contrary, if pursuant to this Section 3.11 a Borrower is required to pay to or for the account of any Lender any additional amounts, then such Lender shall use commercially reasonable efforts to change the jurisdiction of its Applicable Lending Office if, in the sole and absolute judgment of such Lender, such change (i) would eliminate or reduce any such excess additional amounts and (ii) would not otherwise be materially disadvantageous to such Lender.

SECTION 3.12. Break Funding Payments. The Borrowers jointly and severally agree to indemnify each Lender and to hold each Lender harmless from any loss, cost or expense incurred by such Lender which is in the nature of funding breakage costs or costs of liquidation or redeployment of deposits or other funds and any other related expense (but excluding loss of margin or other loss of anticipated profit), which such Lender may sustain or incur as a consequence of (a) default by any Borrower in making any Borrowing of Term Benchmark Loans after a Borrower has given a Notice of Borrowing requesting the same in accordance with the provisions of this Agreement (including as a result of any failure to fulfill, on or before the date specified in such Notice of Borrowing, the applicable conditions set forth in Article IV), (b) default by any Borrower in making any prepayment of any Term Benchmark Loan when due after such Borrower has given notice thereof in accordance with this Agreement, (c) the making

by any Borrower of a prepayment of any Term Benchmark Loan on a day which is not the last day of an Interest Period with respect thereto, (d) default by any Borrower in payment when due of the principal of or interest on any Term Benchmark Loan, (e) the Conversion or Continuation of any Term Benchmark Loan on a day other than on the last day of an Interest Period with respect thereto, and (f) any assignment such Lender is required to make pursuant to Section 3.13(b) if such Lender holds Term Benchmark Loans at the time of such assignment. A certificate of any Lender setting forth any amount or amounts and a reasonable basis for the determination thereof that such Lender is entitled to receive pursuant to this Section and delivered to KCMH shall be conclusive absent manifest error. The Borrowers jointly and severally shall pay to such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

SECTION 3.13. Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.09, or requires any Borrower to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.11, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, if, in the sole and absolute judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.09 or 3.11, 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.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.09, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.11, or if any Lender becomes a Defaulting Lender, or if any Lender has failed to consent to a proposed amendment, waiver, discharge or termination that, pursuant to the terms of Section 9.01, requires the consent of all of the Lenders or all of the Lenders affected (and such Lender is an affected Lender) and with respect to which the Majority Lenders shall have granted their consent, then such Borrower may, at the Borrowers' joint and several 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, and consents required by, Section 9.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(i) no Default or Event of Default has occurred and is continuing on and as of the date of such notice and the date of such assignment;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.12) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 3.09 or payments required to be made pursuant to Section 3.11, such assignment will result in a reduction in such compensation or payments thereafter; and

(iv) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling a Borrower to require such assignment and delegation cease to apply. A Lender so replaced shall not be required to pay the processing and recordation fee referred to in Section 9.06(b).

SECTION 3.14. Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Majority Lenders.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.03 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Lender hereunder; *third*, to cash collateralize the Issuing Lenders' L/C Exposure with respect to such Defaulting Lender; *fourth*, as any Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and KCMH, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize the Issuing Lender's future L/C Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement; *sixth*, to the payment of any amounts owing to the Lenders or the Issuing Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the Issuing Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to any Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting

Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Payments in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Payments owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Payments owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Reimbursement Obligations are held by the Lenders pro rata in accordance with their Commitments without giving effect to Section 3.14(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 3.14(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. Each Defaulting Lender shall be entitled to receive the facility fee pursuant to Section 2.03(b) for any period during which that Lender is a Defaulting Lender only to extent allocable to the sum of (1) the outstanding principal amount of the Loans funded by it, and (2) its Commitment Percentage of the stated amount of Letters of Credit for which it has provided cash collateral. Each Defaulting Lender shall be entitled to receive letter of credit fees pursuant to Section 2.03(c) for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Commitment Percentage of the stated amount of Letters of Credit for which it has provided cash collateral pursuant to the terms hereof. With respect to any facility fee or letter of credit fee not required to be paid to any Defaulting Lender pursuant to this Section 3.14(a)(iii), the Borrowers jointly and severally shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in Letters of Credit that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Issuing Lender the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to the Issuing Lender's L/C Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Participations to Reduce L/C Exposure. All or any part of such Defaulting Lender's participation in Letters of Credit shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Commitment Percentages (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (x), if requested by the applicable Issuing Lender, the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrowers shall have otherwise notified the Administrative Agent at such time, the Borrowers shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the aggregate of the Total Credit Exposure allocable to any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-

Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation

(v) Cash Collateral. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrowers shall jointly and severally, without prejudice to any right or remedy available to it hereunder or under law, promptly cash collateralize the Issuing Lenders' L/C Exposure.

(b) Defaulting Lender Cure. If KCMH, the Administrative Agent and the Issuing Lender agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), such Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a *pro rata* basis by the Lenders in accordance with their Commitment Percentages (without giving effect to Section 3.14(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) New Letters of Credit. So long as any Lender is a Defaulting Lender, the Issuing Lender shall not be required to issue, extend, renew or increase any Letter of Credit unless it is reasonably satisfied that it will have no L/C Exposure after giving effect thereto.

ARTICLE IV

CONDITIONS PRECEDENT

SECTION 4.01. Closing Conditions. Effectiveness of this Agreement is subject to the satisfaction or waiver of the following conditions precedent:

- (a) The Administrative Agent's receipt of the following:
 - (i) this Agreement, duly executed and delivered by the Borrower and each of the other parties hereto;
 - (ii) the Guarantee and Security Agreement, duly executed and delivered by the Borrowers as of the Closing Date, together with duly prepared financing statements in form for filing under the applicable UCC in the jurisdiction of formation of each Borrower;
 - (iii) certified copies of (x) the constitutive documents of each Borrower and (y) resolutions or other authorizing documentation of each Obligor and the General Partner

evidencing the taking of all necessary action authorizing and approving the execution, delivery and performance by each Borrower of the Loan Documents to which it is a party;

(iv) a certificate of an officer of each Borrower certifying the names and true signatures of the officers authorized to sign the Loan Documents and any other documents to be delivered hereunder by each Borrower;

(v) the legal opinion of Simpson Thacher & Bartlett LLP, counsel to the Borrowers, in a form reasonably acceptable to the Administrative Agent;

(vi) a certificate of an officer of KCMH, dated the Closing Date, certifying that (a) the representations and warranties contained in Section 5.01 and in the other Loan Documents are true and correct in all material respects on and as of such date as though made on and as of such date and (b) no event has occurred and is continuing on and as of such date which constitutes a Default or an Event of Default;

(vii) a certificate attesting to the Solvency of KCMH and its Subsidiaries, taken as a whole, after giving effect to the effectiveness of this Agreement and any Loans made or Letters of Credit issued or outstanding on the Closing Date; and

(viii) (a) all documentation and other information reasonably requested in writing at least five Business Days prior to the Closing Date in order to allow the Administrative Agent to comply with applicable "know your customer" and anti-money laundering rules and regulations, including without limitation, the Patriot Act and (b) any other such documents in customary form and previously agreed between the parties.

(b) KCMH shall have paid (i) all accrued and unpaid fees and any outstanding and accrued and unpaid interest thereon under the Existing Credit Agreement and (ii) all fees and expenses (including fees, charges and disbursements of counsel invoiced prior to the Closing Date) required to be paid on or prior to the Closing Date to the Administrative Agent or the Lead Arranger in connection with this Agreement.

The Administrative Agent will promptly notify the Lenders of the occurrence of the Closing Date.

SECTION 4.02. Conditions Precedent to Each Borrowing and Issuance. The obligation of each Lender to make a Loan during the Availability Period on the occasion of each Borrowing and of the Issuing Lender to issue each Letter of Credit shall be subject to the conditions precedent that on the date of and after giving effect to such Borrowing or issuance, the Total Credit Exposure shall not exceed the then Aggregate Facility Amount, and that the following statements shall be true:

(a) the representations and warranties contained in Section 5.01 and in the other Loan Documents are true and correct in all material respects on and as of the date of such Borrowing or issuance as though made on and as of such date, except to the extent such representation or warranty expressly relates to an earlier date, in which case it is true and correct in all material respects on and as of such earlier date;

(b) no event has occurred and is continuing, or would result from such Borrowing or issuance or from the application of the proceeds from such Borrowing, which constitutes a Default or an Event of Default;

(c) the Debt to Equity Ratio shall be less than or equal to ^{pro forma} to 1.00 after giving ~~pro forma~~ effect to such Borrowing or issuance;

(d) the Administrative Agent and, if applicable, the Issuing Lender shall have received a request for Borrowing or issuance of Letter of Credit in accordance with the requirements hereof; and

(e) in connection with Category V Borrowings, the Administrative Agent and, if applicable, the Issuing Lender shall have received a certificate from the Borrower setting out the information required pursuant to the definition of "Category V Borrowing".

Each request for a Borrowing or issuance of a Letter of Credit (other than a notice for Conversion or Continuation of Loans) submitted by a Borrower shall be deemed to be a representation and warranty that the conditions specified in clauses (a), (b) and (c) of this Section 4.02 have been satisfied on and as of the date of such request.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

SECTION 5.01. Representations and Warranties. Each Borrower represents and warrants to the Administrative Agent and the Lenders as follows:

(a) Organization. Each Borrower is duly organized, validly existing and in good standing as a limited partnership or limited liability company, as applicable, under the laws of Delaware, and each Guarantor and the General Partner is duly organized, validly existing and in good standing (to the extent such concept is recognized under such law) under the laws of its jurisdiction of organization. Each Obligor (i) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (A) own or lease its assets and carry on its business and (B) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (ii) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (i)(A) or (ii), to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect

(b) Authorization. The execution, delivery and performance by each Borrower of this Agreement and the other Loan Documents are within its powers as set forth in its applicable constituent documents, as the case may be, and have been duly authorized by all necessary action thereunder, and the execution, delivery and performance by each Guarantor of the Guarantee and Security Agreement are within the powers of such Guarantor and have been

*[**]=Certain information contained in this document, marked by "[**]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

duly authorized by all necessary action and the execution, delivery and performance by KCMH of the Loan Documents have been duly authorized by all necessary action of the General Partner.

(c) Approvals; No Conflicts; Etc. The execution, delivery and performance by each Obligor of the Loan Documents to which it is a party (i) do not require any consent or approval of, or registration or filing with, any Governmental Authority or Self Regulatory Organization (except for (A) such as have been obtained or made and are in full force and effect in all material respects, (B) filings and recordings in respect of Liens created pursuant to the Guarantee and Security Agreement and (C) such licenses, approvals, authorizations or consents the failure to obtain or make would not reasonably be expected to result in a Material Adverse Effect), (ii) will not violate any applicable Law, regulation or order of any Governmental Authority the violation of which would be reasonably expected to result in a Material Adverse Effect, and (iii) will not violate or constitute an event of default under any credit agreement, loan agreement, note or indenture, or any other material agreement, binding upon it or its Property; and no Default has occurred and is continuing.

(d) Enforceability. Each Obligor has duly executed and delivered each Loan Document to which it is a party and each such Loan Document constitutes the legal, valid and binding obligation of such Obligor enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

(e) No Material Adverse Change. Since December 31, 2023, no event or circumstance has occurred that has had, or would reasonably be expected to have, a Material Adverse Effect.

(f) No Litigation. There are no actions, suits or proceedings by or before any Governmental Authority pending against or, to the knowledge of KCMH, threatened against or affecting it or any of its Subsidiaries that would reasonably be expected to result in a Material Adverse Effect.

(g) Compliance with Laws. Each Obligor is in compliance with all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it or its Property (including, without limitation, the Patriot Act, ERISA, environmental laws and Rule 15c3-1), except where the failure to be in compliance, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(h) Investment Company Status; Margin Regulations. None of the Obligors is required to register under and none of the Obligors is subject to regulation under the Investment Company Act of 1940, as amended. No Borrower is engaged and no Borrower will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U), or extending credit for the purpose of purchasing or carrying margin stock, in each case in violation of such Regulation U. Each U.S. Broker-Dealer Subsidiary is a broker-dealer subject to Regulation T. Neither the making of any Loan hereunder, nor the use of proceeds thereof, will violate or be inconsistent with the provisions of Regulation T, U or X.

(i) Disclosure. No written report, financial statement, certificate or other written information furnished by or on behalf of it to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in the light of the circumstances under which they were made, not misleading; provided that with respect to projected financial information, it represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time and that actual results may differ materially from such information.

(j) Use of Proceeds. The proceeds of the Loans and Letters of Credit shall be used to fund (i) the capital requirements of KCMH and its Subsidiaries and (ii) the general corporate and working capital needs of KCMH and its Subsidiaries, in each case, in the ordinary course of KCMH and its Subsidiaries' capital markets business in compliance with Section 6.02(i); provided that no more than \$^[**] of the aggregate outstanding Commitments shall be utilized at any one time to make Investments in all Designated Entities and all KCMH Group Entities that are not Subsidiaries of KCMH and through which KCMH and its Subsidiaries conduct its capital markets business in compliance with Section 6.02(i).

(k) Guarantee and Security Agreement. The Guarantee and Security Agreement is effective to create in favor of the Administrative Agent, for the benefit of the Secured Creditors, a legal, valid and enforceable security interest in the Collateral described therein and proceeds thereof (except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity). Subject to the Intercreditor Agreement, in the case of the Pledged Equity represented by certificates described in the Guarantee and Security Agreement, when any stock certificates representing such Pledged Equity are delivered to the Administrative Agent (or its designee), and in the case of the other Collateral described in the Guarantee and Security Agreement, when financing statements in appropriate form are duly completed and filed in the offices specified on Annex I to the Guarantee and Security Agreement and such other filings as are specified on Annex I to the Guarantee and Security Agreement have been completed, the Guarantee and Security Agreement shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Obligors in such Collateral and the proceeds thereof, as security for the Obligations (as defined in the Guarantee and Security Agreement), in each case prior and superior in right to any other Person (other than with respect to Liens permitted by this Agreement), in each case to the extent security interests in such Collateral may be perfected by delivery of such certificates representing Pledged Equity or such filings.

(l) Ownership of Property. KCMH and each of its Subsidiaries has good record and marketable title to, or valid leasehold interests in, all property necessary in the ordinary conduct of its business, except for such defects in title as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(m) Taxes. Except as would not reasonably be expected to have a Material Adverse Effect, KCMH and each of its Subsidiaries have paid and discharged all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, other than those (i) not yet delinquent or (ii) contested in

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good faith as to which adequate reserves have been provided to the extent required by Law and in accordance with GAAP and which would not reasonably be expected to result in a Material Adverse Effect.

(n) ERISA Matters. (i) No ERISA Event has occurred or is reasonably expected to occur with respect to any Plan and (ii) neither KCMH nor any ERISA Affiliate has incurred or is reasonably expected to incur any Withdrawal Liability to any Multiemployer Plan, which in either case of (i) or (ii) has not been fully satisfied or, with respect to clauses (i) and (ii), except as would not reasonably be expected to result in any Material Adverse Effect.

(o) Subsidiaries. Schedule II is a complete list of Subsidiaries of KCMH as of the Closing Date.

(p) Registered Broker-Dealer; Membership. Each of KCM U.S. and each other U.S. Broker-Dealer Subsidiary is duly registered with the SEC as a broker-dealer and is a member in good standing of FINRA, and each non-U.S. Broker-Dealer Subsidiary is duly registered with, or licensed by, any Governmental Authority that requires registration or licensing and is a member in good standing of any local body similar to FINRA, including, but not limited to, the Financial Services Authority (in the case of KCM U.K.) and the Securities and Futures Commission (in the case of (i) prior to the KCM Asia Reorganization Effective Date, KCM Asia and (ii) after the KCM Asia Reorganization Effective Date, KCM Asia II) to the extent that such membership is required by any Governmental Authority.

(q) SIPC Assessments. No U.S. Broker-Dealer Subsidiary is in arrears with respect to any assessment made upon it by the SIPC, and no non-U.S. Broker Dealer Subsidiary is in arrears with respect to any assessment made upon it by any local body which is similar to the SIPC.

ARTICLE VI

COVENANTS

SECTION 6.01. Affirmative Covenants. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender), KCMH covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a) Reporting Requirements. KCMH will furnish to the Lenders:

(i) within 50 days after the end of each of the first three fiscal quarters, its unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows, in each case as of the end of and for such fiscal quarter, setting forth in each case in comparative form (if applicable) the figures for the corresponding period of the previous fiscal year, certified by a Financial Officer to the effect that such

financial statements present fairly in all material respects the financial condition and results of operations of KCMH and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to the absence of (or absence of a requirement to have) footnotes and to year-end adjustments;

(ii) within 100 days after the end of each fiscal year, KCMH's unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows as of the end of and for such fiscal year, setting forth in each case in comparative form (if applicable) the figures for the previous fiscal year, certified by a Financial Officer to the effect that such financial statements present fairly in all material respects the financial condition and results of operations of KCMH and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to the absence of (or absence of a requirement to have) footnotes;

(iii) concurrently with any delivery of financial statements under clauses (i) and (ii) above, a certificate of a Financial Officer (x) certifying that no Default has occurred or, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (y) identifying any Subsidiary that has become a Material Foreign Subsidiary during the most recently ended fiscal quarter and (z) setting forth calculations demonstrating in reasonable detail compliance with Section 6.03;

(iv) concurrently with the delivery of financial statements under clause (ii) above, an operating income budget of KCMH in reasonable detail for the current fiscal year as customarily prepared by management of KCMH for their internal use, setting forth the principal assumptions upon which such budget is based;

(v) as soon as available, but in any event within five Business Days of delivery to any Governmental Authority or Self Regulatory Organization, the audited annual financial statements of any Broker-Dealer Subsidiary required to be furnished to such Governmental Authority or Self Regulatory Organization;

(vi) within 15 days after the end of each calendar month as to which there are any Loans or Letters of Credit outstanding on the last date of such calendar month, a schedule of Category II Borrowings, Category III Borrowings and Category IV Borrowings on the consolidated balance sheet of KCMH and its Subsidiaries, which schedule will provide the notional value of each and reflect management's good faith estimate of the value thereof as determined in a manner consistent with KCMH's internal valuation practices; and

(vii) promptly upon request by the Administrative Agent on behalf of the Majority Lenders, such other information regarding the business, operations and financial condition of any Obligor as such Lender may reasonably request (it being understood that the Administrative Agent shall use reasonable efforts to coordinate any such requests).

(b) Existence; Conduct of Business. It will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and, except to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect, the rights, licenses, permits, privileges and franchises material to the conduct of its business (including, in the case of each Broker-Dealer Subsidiary, its registration, license or qualification as a broker-dealer with the SEC and/or such other applicable domestic or foreign Governmental Authority); provided that the foregoing shall not prohibit any transaction expressly permitted under Section 6.02(c).

(c) Compliance with Laws. It will, and will cause each of its Subsidiaries to, comply with all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it, its business or its Property (including, in the case of each Broker-Dealer Subsidiary, such rules and regulations of the SEC, FINRA and/or such other applicable domestic or foreign Governmental Authority or Self Regulatory Organization) except, with respect to all matters other than noncompliance by any Broker-Dealer Subsidiary with applicable minimum capital requirements, where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(d) Maintenance of Insurance. It will, and will cause each of its Subsidiaries to, maintain with financially sound and reputable insurance companies insurance on all its tangible Property in at least such amounts and against at least such risks as KCMH believes (in the good faith judgment of KCMH) are usually insured against in the same general area by companies of a similar size engaged in the same or a similar business and in a manner that is consistent with KCMH's and its Subsidiaries' past practices.

(e) Payment of Taxes. It will, and will cause each of its Subsidiaries to, pay and discharge, all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any Property of KCMH or any Subsidiary, provided that neither KCMH, nor any Subsidiary shall be required to pay any such tax, assessment, charge, levy or claim that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of KCMH) with respect thereto in accordance with GAAP or the failure to pay would not reasonably be expected to result in a Material Adverse Effect.

(f) Maintenance of Properties. It will, and will cause each of its Subsidiaries to, keep and maintain all Property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, except to the extent failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(g) Books and Records; Visitation and Inspection Rights. It will, and will cause each Borrower as well as each of its Material Subsidiaries to, keep proper books of record and account in accordance with GAAP, and permit 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 (it being agreed that KCMH shall be

given the opportunity to participate in any such discussion with its independent accountants), all at the reasonable expense of KCMH and at such reasonable times during normal business hours, but in each case subject to and in accordance with all applicable laws of any Governmental Authority and such confidentiality measures relating thereto as KCMH may reasonably require; provided that, other than after the occurrence of and during the continuance of an Event of Default, (i) such visitations and inspections shall not be permitted on more than two instances in any calendar year and (ii) only one such visitation and inspection shall be at the expense of KCMH.

(h) Notices of Material Events It will furnish to the Administrative Agent and each Lender prompt written notice of the following:

- (i) the occurrence of any Default or Event of Default;
- (ii) the filing or commencement of any action, suit or proceeding by or before any Governmental Authority against or affecting it or any of its Subsidiaries which would reasonably be expected to be adversely determined and, if so determined, would reasonably be expected to result in a Material Adverse Effect; and
- (iii) any other event that has had, or would reasonably be expected to have, a Material Adverse Effect.

Each notice delivered under this subsection shall be accompanied by a statement of a Financial 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.

(i) Additional Guarantors and Grantors; Additional Borrowers

(i) Subject to any applicable limitations set forth in the Guarantee and Security Agreement, KCMH will promptly cause each direct or indirect domestic Wholly-Owned Subsidiary (other than any Domestic Subsidiary of a Foreign Subsidiary or a Domestic Subsidiary substantially all of whose assets consist of capital stock and/or indebtedness of one or more Foreign Subsidiaries) formed or otherwise purchased or acquired after the date hereof, to execute a supplement to the Guarantee and Security Agreement substantially in the form attached to the Guarantee and Security Agreement (or otherwise in a form reasonable satisfactory to the Administrative Agent) in order to become a Guarantor and a grantor thereunder and take all other action reasonably requested by the Administrative Agent to grant a perfected security interest in its assets to substantially the same extent as granted by the Obligor on the Closing Date; provided that in any event, no Broker-Dealer Subsidiary shall be required to enter into, provide a guarantee, or grant any security interests in its assets under the Guarantee and Security Agreement or any other Loan Document.

(ii) From time to time after the Closing Date, with fifteen Business Days' prior written notice to the Administrative Agent and subject to the satisfaction of the conditions set forth in this Section 6.01(i)(ii), KCMH may designate any Subsidiary as an Additional Borrower; provided that in no event shall a Subsidiary become an Additional Borrower if such Subsidiary either (A) is an entity that would not be required

to be an additional Guarantor under Section 6.01(i)(i), or (B) is a direct or indirect Subsidiary of a Person that is not required to be an additional Guarantor under Section 6.01(i)(i); and provided further that:

(A) such Subsidiary is a Wholly-Owned Subsidiary of KCMH organized or incorporated in the United States or a jurisdiction otherwise approved by the Administrative Agent and the applicable Lenders; provided that, in the case of a jurisdiction in which no Borrower is organized or incorporated on the Closing Date, such designation shall be prohibited if the Administrative Agent or any applicable Lender shall not have the ability or authorization to lend into such jurisdiction;

(B) such Subsidiary is or becomes a Guarantor prior to or contemporaneously with becoming an Additional Borrower;

(C) no Default or Event of Default has occurred and is continuing or would result from such Subsidiary becoming an Additional Borrower;

(D) the Administrative Agent and the Lenders shall have received at least ten Business Days prior to the date such Subsidiary becomes an Additional Borrower such documentation and information as is reasonably requested in writing by the Administrative Agent or any applicable Lender to the extent required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act;

(E) the Administrative Agent shall have received a duly executed and delivered Additional Borrower Joinder Agreement and a duly executed and delivered pledge of the equity of such Subsidiary in accordance with the Guarantee and Security Agreement; and

(F) the Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of such Subsidiary (or a duly authorized committee thereof) authorizing (a) the execution, delivery, and performance of the Additional Borrower Joinder Agreement and the other Loan Documents (and any agreements relating thereto) to which it is a party and (b) the extensions of credit contemplated hereunder, (ii) the certificate of incorporation and by-laws, certificate of formation and operating agreement or other comparable organizational documents, as applicable, of such Subsidiary, (iii) signature and incumbency certificates (or other comparable documents evidencing the same) of the authorized officers of such Subsidiary executing the Additional Borrower Joinder Agreement and the other Loan Documents to which it is a party, and (iv) if requested by Administrative Agent, a customary legal opinion from outside counsel to the Borrower as to customary joinder matters.

(iii) Upon any Subsidiary becoming an Additional Borrower in accordance with Section 6.01(i), such Subsidiary shall be, jointly and severally, for all purposes, and

with all rights and obligations of, a "Borrower" under this Agreement and the other Loan Documents.

(j) Pledge of Material Foreign Subsidiaries. Subject to any applicable limitations set forth in the Guarantee and Security Agreement, KCMH will promptly deliver to the Administrative Agent a local law pledge agreement under the jurisdiction of organization or formation of each Subsidiary that is directly owned by an Obligor and identified as a Material Foreign Subsidiary in accordance with Section 6.01(a)(iii)(y) in a customary form reasonably satisfactory to the Administrative Agent, together with (i) copies of such Material Foreign Subsidiary's constitutive documents and documents evidencing that such Material Foreign Subsidiary has taken of all necessary action authorizing and approving the execution, delivery and performance of the Loan Documents to which it is a party, and (ii) a legal opinion in a form reasonably satisfactory to the Administrative Agent from counsel to such Material Foreign Subsidiary.

(k) Pledge of Additional Stock and Evidence of Indebtedness. Subject to the Intercreditor Agreement and to any applicable limitations set forth in the Guarantee and Security Agreement or with respect to which, in the reasonable judgment of the Administrative Agent (confirmed in writing by notice to KCMH), the cost or other consequences (including any adverse tax consequences) of doing so shall be excessive in view of the benefits to be obtained by the Lenders therefrom, KCMH will cause (i) all certificates representing Equity Interests (if any) of any Subsidiary held directly by any Borrower or any Guarantor and (ii) all evidences of Indebtedness in excess of \$5,000,000 received by any Borrower or any of the Guarantors, in each case, promptly to be delivered along with applicable instruments of transfer duly executed in blank to the Administrative Agent (or its designee) as security for the obligations owed under the Loan Documents, under the Guarantee and Security Agreement.

(l) Further Assurances. Subject to the Intercreditor Agreement, it will, and will cause each of the Guarantors to, from time to time give, execute, deliver, file and/or record any financing statement, notice, instrument, document, agreement or other paper that is necessary to cause the Liens created by the Guarantee and Security Agreement to be valid first priority perfected Liens on the Property purported to be covered thereby (including after-acquired Property, it being understood that, except as set forth in paragraph (j) above, there shall be no requirement to enter into or deliver security agreements or pledge agreements governed by the laws of any non-U.S. jurisdiction or otherwise take steps to perfect any security interest or Lien securing the Obligations under the laws of any non-U.S. jurisdiction), subject to no equal or prior Lien except as otherwise permitted by the Loan Documents, and promptly from time to time obtain and maintain in full force and effect, and cause each of the Guarantors to obtain and maintain in full force and effect, all licenses, consents, authorizations and approvals of, and make all filings and registrations with, any Governmental Authority necessary under the Laws of the jurisdiction of organization of such Guarantor (or any other jurisdiction in which part of the Collateral owned by it or by any Guarantor may be situated) for the making and performance by it of the Loan Documents to which it is a party. Notwithstanding the foregoing or anything to the contrary in any Loan Document, it is hereby agreed and acknowledged that any requirement to take any action to establish perfection by control under any Loan Document is subject to the Intercreditor Agreement, and the establishment of such control by the Administrative Agent's designee or bailee set forth in the Intercreditor Agreement shall constitute compliance with any

such requirement to establish such control by the Administrative Agent under the Loan Documents.

SECTION 6.02. Negative Covenants. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender), KCMH covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a) Indebtedness. It will not, and will not permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Indebtedness, provided that KCMH and any Subsidiary may incur Indebtedness (and all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest with regard to such Indebtedness) if (x) immediately before and after such incurrence, no Default or Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to ^[**] 1.00 after giving pro forma effect thereto. The limitations set forth in the immediately preceding sentence shall not apply to any of the following items:

- (i) Indebtedness arising under the Loan Documents;
- (ii) Intercompany Indebtedness owed among the Borrowers and/or their Subsidiaries (including any Indebtedness used to finance any Financing Transaction);
- (iii) Permitted Subordinated Debt;
- (iv) Indebtedness in respect of Hedging Agreements;
- (v) Indebtedness in respect of overdraft facilities, netting services, automatic clearinghouse arrangements and other cash management and similar arrangements in the ordinary course of business;
- (vi) additional Indebtedness of KCMH and its Subsidiaries in an aggregate principal amount not to exceed \$^[**] at any time outstanding;
- (vii) Indebtedness arising under the 364-Day Credit Agreement (and the other Loan Documents (as defined therein)), and any refinancing, renewal or replacement thereof;
- (viii) Indebtedness arising under fronting and/or settlement facilities ("Fronting Facilities"); provided that, at least 10 Business Days prior to incurring any such Indebtedness (or such shorter period as MHCB shall reasonably agree, it being agreed MHCB shall use commercially reasonable efforts to provide a response to KCMH as soon as practicable after receipt of such notice), KCMH and/or the relevant Subsidiary shall have provided MHCB a bona fide opportunity (through a written notice to MHCB) to provide such Indebtedness, including an offer regarding the timing of establishing such indebtedness, and MHCB shall have either (1) declined (through a written notice

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from the Administrative Agent to KCMH and/or such Subsidiary) to accept such offer to provide such Indebtedness or (2) failed to respond in writing to such offer, in each case, within such 10 Business Day period; and

(ix) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (i) through (viii) above.

(b) Liens. It will not, nor will it permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any Property now owned or hereafter acquired by it, except Liens under the Guarantee and Security Agreement and other Liens in favor of the Administrative Agent as contemplated hereby and except:

(i) Liens arising under the Loan Documents;

(ii) Liens securing Finance Subsidiary Debt; provided that the terms of any Finance Subsidiary Debt (including any intercreditor arrangements entered into in connection therewith) shall provide that the Liens on the Collateral granted under the Guarantee and Security Agreement have at least second priority (to the extent the terms of such Finance Subsidiary Debt do not permit the obligations under the Loan Documents to be secured on a first priority basis *pari passu* with such Finance Subsidiary Debt) after giving effect to the incurrence of such Finance Subsidiary Debt; provided further that the assets securing any such Finance Subsidiary Debt shall be limited to (A) the assets of the Finance Subsidiary or Finance Subsidiaries incurring such Finance Subsidiary Debt and (B) the common equity interests of such Finance Subsidiary or Finance Subsidiaries;

(iii) Permitted Liens;

(iv) Liens securing Indebtedness or other obligations of a KCMH or any Subsidiary of KCMH in favor of KCMH or any Subsidiary of KCMH;

(v) Liens (A) of a collecting bank arising under Section 4-208 of the UCC on items in the course of collection, (B) attaching to commodity trading accounts or other commodities brokerage accounts incurred in the ordinary course of business; and (C) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off);

(vi) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business;

(vii) Liens that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (B) relating to pooled deposit or sweep accounts of KCMH or any of its Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of KCMH and its Subsidiaries or (C) relating to agreements

entered into with customers of KCMH or any of its Subsidiaries in the ordinary course of business;

(viii) additional Liens so long as the aggregate principal amount of the obligations secured thereby at any time outstanding does not exceed \$[**];

(ix) the modification, replacement, extension or renewal of any Lien permitted by this Section 6.02(b) upon or in the same assets theretofore subject to such Lien (or upon or in after-acquired property that is affixed or incorporated into the property covered by such Lien or any proceeds or products thereof) or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor except to the extent otherwise permitted hereunder) of the Indebtedness secured thereby;

(x) Liens securing obligations in respect of Indebtedness outstanding under Section 6.02(a)(vii), provided such Liens shall only extend to Collateral and shall be pari passu with the Liens securing the Obligations hereunder and subject to the Intercreditor Agreement, or junior to the Liens securing the Obligations and subject to an intercreditor agreement in form and substance reasonably satisfactory to the Administrative Agent and KCMH; and

(xi) Liens securing obligations in respect of Indebtedness outstanding under Section 6.02(a)(viii), provided such Liens only extend to the loans made pursuant to such Fronting Facility and other assets related thereto, and in each case, the proceeds thereof. It is agreed that upon the incurrence of a Lien permitted pursuant to this clause (xi), any Collateral subject to such Lien shall be automatically released from the Liens securing the Obligations (and the Administrative Agent shall take such actions as reasonably requested by KCMH to evidence such release (or absence) of such Lien, it being understood that the Lenders authorize the Administrative Agent to enter into any such documentation, with the Administrative Agent authorized to rely on a certificate from KCMH confirming the automatic release (or absence) of such Lien hereunder in delivering any such documentation).

(c) Mergers, Consolidations, Sales of Assets, Etc. It will not merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its Property (in each case, whether now owned or hereafter acquired), or liquidate or dissolve (provided, that, if at the time thereof and immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing, any Person may merge into KCMH in a transaction in which KCMH is the surviving entity) and it will not permit any of its Subsidiaries to merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with any Subsidiary, if a Default or Event of Default would result as a result from any such merger or consolidation and, if involving a Borrower or a Guarantor, unless such Borrower or Guarantor is the surviving entity or such successor entity is a Subsidiary of KCMH immediately following such merger or consolidation and expressly assumes the obligations of such Borrower or Guarantor, as applicable, under the Loan Documents; provided further that Subsidiaries of KCMH shall be permitted to liquidate or dissolve except to the extent such liquidation or dissolution would reasonably be expected to

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result in a Material Adverse Effect and provided that upon or prior to the liquidation or dissolution of any Borrower no Borrowings of such Borrower or Letters of Credit issued for the account of such Borrower are outstanding.

(d) Investments. Without the prior written consent of the Majority Lenders (such consent not to be unreasonably withheld), it will not, and will not permit any of its Subsidiaries to, make any Investment in KKR or its Affiliates; provided, that so long as no Event of Default has occurred and is continuing, KCMH and its Subsidiaries may make Investments in the ordinary course of KCMH and its Subsidiaries' capital markets business and in compliance with Section 6.02(i) in (i) any KCM Group Entity, (ii) any portfolio company (or any entity controlled by a portfolio company) of any fund, separately managed account or partnership managed or controlled or sponsored by KKR and/or its Affiliates (any such fund, account or partnership, a "KKR Vehicle") and (iii) any KKR Vehicle with publicly traded securities or securities issued pursuant to Rule 144A of the Securities Act of 1933 or any foreign equivalent or with respect to which a registration statement or equivalent foreign document has been filed.

(e) Dividends. It will not, and will not permit any of its Subsidiaries to, declare or pay any dividends or make distributions (other than dividends or distributions payable solely in its Equity Interests (other than Disqualified Equity Interests)) or return any capital to its equity holders or make any other distribution, payment or delivery of property or cash to its equity holders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any of its Equity Interests or Equity Interests of any direct or indirect parent thereof now or hereafter outstanding, or set aside any funds for any of the foregoing purposes, or permit any of its Subsidiaries to purchase or otherwise acquire for consideration any Equity Interests of KCMH, now or hereafter outstanding (all of the foregoing, "dividends"), provided that KCMH and any Subsidiary may pay dividends if (x) immediately before and after paying such dividend, no (1) Default or (2) Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to ^[**] to 1.00 after giving pro forma effect thereto. The limitations set forth in the immediately preceding sentence (other than subclause (x)(2) in the proviso thereto) shall not apply to any of the following items so long as KCMH is in compliance with Section 6.03 after giving pro forma effect thereto:

(i) it may (or may pay dividends to permit any direct or indirect parent thereof to) redeem in whole or in part any of its Equity Interests for another class of its (or such parent's) Equity Interests (other than Disqualified Equity Interests) or with proceeds from substantially concurrent equity contributions or issuances of new Equity Interests (other than Disqualified Equity Interests), provided that such new Equity Interests contain terms and provisions at least as advantageous to the Lenders in all respects material to their interests as those contained in the Equity Interests redeemed thereby;

(ii) it may pay dividends, the proceeds of which will be used to pay (or to pay dividends to allow any direct or indirect parent of KCMH to pay (including to the individual owners of any direct or indirect parent of KCMH)) the tax liability of such parent and the individual owners of any direct or indirect parent, determined at the highest combined federal, state and local income tax rate applicable to an individual

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resident in New York City, attributable to the direct or indirect ownership of KCMH or its Subsidiaries determined as if KCMH and its Subsidiaries filed separately;

(iii) it or any of its Subsidiaries may (i) pay cash in lieu of fractional Equity Interests in connection with any dividend, split or combination thereof and (ii) honor any conversion request by a holder of convertible Indebtedness and make cash payments in lieu of fractional shares in connection with any such conversion; and

(iv) any Subsidiary of KCMH may pay dividends to its direct parent; provided that if any such dividends are paid by a non-Wholly-Owned Subsidiary, such dividends shall be made ratably based on the equity holder's interests therein (or any other amount more favorable to KCMH), provided further that if the proceeds of any outstanding Loans or Letters of Credit have been used for an Investment in such non-Wholly-Owned Subsidiary, any cash dividends paid to such parent shall be applied to prepay such Loans or cash collateralize such Letters of Credit if no Loans are outstanding, at the option of the Administrative Agent, without application of Section 3.12 or at the end of the next Interest Period(s) (in the case of a Term Benchmark Loan) or calendar quarter (in the case of an ABR Loan or RFR Loan), as applicable.

(f) Subordinated Debt Payments. It will not, and will not permit any of its Subsidiaries to, prepay, repurchase or redeem, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner, or make any payment in violation of any subordination terms of, any Subordinated Indebtedness; provided that KCMH and any Subsidiary may prepay, repurchase or redeem, defease or otherwise satisfy any Subordinated Indebtedness if (x) immediately before and after such payment, no Default or Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to ^[**] to 1.00 after giving pro forma effect thereto. Notwithstanding the foregoing, nothing in this Section 6.02(f) shall prohibit the repayment or prepayment of intercompany Subordinated Indebtedness owed among KCMH and/or its Subsidiaries, in either case unless an Event of Default has occurred and is continuing and KCMH has received a notice from the Administrative Agent instructing it not to make or permit any such repayment or prepayment.

(g) Burdensome Agreements. It will not, and will not permit any of its Subsidiaries to, enter into or suffer to exist or become effective any agreement that prohibits or limits the ability (i) of any Obligor to create, incur, assume or suffer to exist any Lien upon any of its material Property or revenues, whether now owned or hereafter acquired, to secure the Obligations or, in the case of any Guarantor, its obligations under the Guarantee and Security Agreement, or (ii) of any Subsidiary to make Restricted Payments to any Borrower or any Guarantor or to otherwise transfer property to or invest in any Borrower or any Guarantor, other than (A) this Agreement and the other Loan Documents, (B) any agreements governing Finance Subsidiary Debt and, in the case of clause (i) above only, purchase money Liens (or any permitted refinancing in respect thereof) or Finance Lease Obligations otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby and in the case of any permitted refinancing of purchase money Indebtedness, no more restrictive than that in the relevant refinanced agreement), (C) any such agreement in effect at the time any Subsidiary becomes a Subsidiary of KCMH, so long as such agreement was not entered into solely in contemplation of such Person becoming a Subsidiary of KCMH,

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(D) any such agreement imposed or required by or otherwise entered into with any applicable Governmental Authority, (E) any agreement in respect of Indebtedness outstanding under Section 6.02(a)(vii) or (viii) and (F) any agreement in respect of Indebtedness permitted to be outstanding under this Agreement, provided such restrictions do not, in the good faith judgment of KCMH, impair in any material respect the ability of the Borrowers hereunder to comply with their payment obligations under the Loan Documents.

(h) Affiliate Transactions. It will not, and will not permit any of its Subsidiaries to, enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate (other than KCMH or any of its Subsidiaries) unless such transaction is (a) otherwise permitted under this Agreement, including the payment and receipt of any dividend permitted pursuant to Section 6.02(e), and (b) upon terms that, in the aggregate, are no less favorable to KCMH or such Subsidiary, as the case may be, than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate; provided that nothing in this Section 6.02(h) shall prohibit KCMH or any of its Subsidiaries from providing placement, advisory or other services in the ordinary course of business so long as such services do not include a funding obligation of KCMH or such Subsidiary.

(i) Line of Business. It will not, nor will it permit any of its Subsidiaries to, enter into any business, either directly or through any Subsidiary, except for those businesses in which KCMH and its Subsidiaries are engaged on the Closing Date or that are reasonably related thereto.

(j) Change in Fiscal Year. It will not make any change to its fiscal year; provided that KCMH may, upon written notice to the Administrative Agent, change its fiscal year end to any other fiscal year end reasonably acceptable to the Administrative Agent, in which case KCMH and the Administrative Agent will, and are hereby authorized by the other parties hereto to, make any adjustments to this Agreement that are necessary to effect such change.

SECTION 6.03. Financial Covenant. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender and the Administrative Agent), KCMH covenants and agree that, unless the Majority Lenders shall otherwise consent in writing, KCMH will not permit the Debt to Equity Ratio on the last day of any fiscal quarter of KCMH to exceed ~~1.00~~ to 1.00.

ARTICLE VII

EVENTS OF DEFAULT

SECTION 7.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

- (a) any Borrower shall fail to pay when due any principal of any Loan;

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(b) any Borrower shall fail for five Business Days or more to pay any interest, fee or L/C Reimbursement Obligation or any other amount (other than principal) payable by such Borrower under any Loan Document when and as the same shall become due and payable;

(c) any representation or warranty made or deemed made by an Obligor in this Agreement, any other Loan Document or in any certificate furnished pursuant to this Agreement shall prove to have been untrue in any material respect when made or deemed made;

(d) any Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 6.01(b) (with respect to the legal existence of such Borrower), (h)(i), 6.02 (other than those contained in clause (j) of such Section) or 6.03;

(e) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Section) or in any other Loan Document, and such failure shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent to KCMH;

(f) any Borrower or any Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall fail to make any payment of principal of or interest on any Material Indebtedness when and as the same shall become due and payable (beyond any period of grace, if any); or any event or condition occurs that results in the acceleration (or, solely with respect to any Material Indebtedness incurred under Section 6.02(a)(iii), permits the holders of such Indebtedness (or a trustee or agent on behalf of such holders) to cause such acceleration) of such Material Indebtedness prior to its scheduled maturity;

(g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, winding up, reorganization or other relief in respect of any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) or its debts, or of a substantial part of its Property, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) or for a substantial part of its Property, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(h) any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, winding up, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership 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, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Material Subsidiary (other than

any Finance Subsidiary) or for a substantial part of its Property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(i) any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) 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 \$[**] shall be rendered against KCMH or any Subsidiary and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any Property of KCMH or any Subsidiary to enforce any such judgment;

(k) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred for which liability has not been fully satisfied, would reasonably be expected to result in a Material Adverse Effect; or

(l) the Guarantee and Security Agreement shall cease to be valid and binding on, or enforceable against, (i) KCMH or (ii) any other Borrower or Guarantor which is a Material Subsidiary (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Administrative Agent or any Lender), or KCMH or any such other Borrower or Guarantor shall so assert in writing; or

(m) a Change of Control shall occur;

then the Administrative Agent shall upon the request of the Majority Lenders, by notice to KCMH, take any or all of the following actions, at the same or different times: (i) terminate the Commitments and thereupon they shall terminate immediately, (ii) terminate any obligation of the Issuing Lender to issue Letters of Credit hereunder, and thereupon such obligations shall terminate, (iii) declare the Loans and all other amounts payable by the Obligor under the Loan Documents 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 so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of each Borrower accrued and other amounts payable by the Obligor under the Loan Documents, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower, and/or (iv) require the Borrowers to jointly and severally provide cash collateral for L/C Reimbursement Obligations and the outstanding undrawn Letters of Credit in an aggregate amount equal to the then aggregate L/C Exposure and thereupon the Borrowers shall forthwith provide such cash collateral on terms and subject to documentation reasonably satisfactory to the relevant Issuing Lenders and the Administrative Agent; and in case of any event applicable to any Borrower described in clause (g) or (h) of this Section, the Commitments and such obligations of the Issuing Lender shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the

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Obligors accrued under the Loan Documents, shall automatically become due and payable, and the Borrowers jointly and severally shall automatically be required to provide such cash collateral, all without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower. Nothing herein shall terminate or otherwise modify the obligations of the Lenders under Section 2.02(d).

SECTION 7.02. Investors' Right to Cure.

(a) Notwithstanding anything to the contrary contained in Section 7.01(d), in the event that KCMH fails to comply with the requirements of the covenant set forth in Section 6.03, until the expiration of the tenth day after the date on which financial statements for the fiscal period in which the covenant set forth in such Section 6.03 is being measured are required to be delivered pursuant to Section 6.01(a), any Person shall have the right to make a direct or indirect equity investment in KCMH in cash (the "Cure Right"), and upon the receipt by such Person of net cash proceeds pursuant to the exercise of the Cure Right (including through the capital contribution of any such net cash proceeds to such Person), the covenant set forth in such Section 6.03 shall be recalculated, giving effect to a pro forma increase to Total Equity as of the relevant date of determination in an amount equal to such net cash proceeds.

(b) If, after the exercise of the Cure Right and the recalculations pursuant to clause (a) above, KCMH shall then be in compliance with the requirements of the covenant set forth in Section 6.03 for the relevant fiscal quarter, KCMH shall be deemed to have satisfied the requirements of such covenant as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable Default or Event of Default under Section 7.01(d) that had occurred shall be deemed cured.

ARTICLE VIII

THE ADMINISTRATIVE AGENT

SECTION 8.01. Appointment and Authority. (a) Each of the Lenders hereby irrevocably appoints MHCB to act on its behalf as the Administrative Agent under and in connection with the Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders and the Borrowers shall have no rights as a third party beneficiary of any of such provisions.

(b) Each Issuing Lender shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each such Issuing Lender shall have all of the benefits and immunities (i) provided to the Administrative Agent in this Article VIII with respect to any acts taken or omissions suffered by such Issuing Lender in connection with Letters of Credit issued by it or proposed to be issued by it and the applications and agreements for letters of credit pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in this Article VIII included such Issuing Lender with respect to

such acts or omissions, and (ii) as additionally provided herein with respect to such Issuing Lender.

(c) The Administrative Agent shall also act as the “collateral agent” under the Loan Documents, and each of the Lenders and the Issuing Lender hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the Issuing Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Obligor to secure any of the obligations of the Obligor under the Loan Documents, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as “collateral agent” and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 8.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Loan Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of this Article VIII and Article IX as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Loan Documents as if set forth in full herein with respect thereto.

SECTION 8.02. Rights as a Lender. The Person serving as the Administrative 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 the Administrative Agent and the term “Lender” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Obligor or any Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 8.03. Exculpatory Provisions.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not 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 the Administrative Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and

(iii) shall not, except as expressly set forth in the Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information

relating to any Obligor or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 9.01) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by a Borrower or a Lender.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

SECTION 8.04. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan or issuance of a Letter of Credit that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan or such issuance. The Administrative Agent may consult with legal counsel (who may be counsel for a Borrower), 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.

SECTION 8.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers under any Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent and any Issuing Lender may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent and the Issuing Lender, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

SECTION 8.06. Resignation of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders and KCMH. Upon receipt of any such notice of resignation, the Majority Lenders shall have the right, in consultation with KCMH, to appoint a successor, which shall be a nationally recognized bank with an office in New York, New York or an Affiliate of any such bank with an office in New York, New York. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above, provided, that if the Administrative Agent shall notify KCMH and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (b) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Majority Lenders appoint a successor Administrative Agent as provided for above in this subsection. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations under the Loan Documents (if not already discharged therefrom as provided above in this subsection). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between KCMH and such successor. After the retiring Administrative Agent's resignation, the provisions of this Article and Section 9.04 shall continue in effect for the benefit of such retiring Administrative 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 the retiring Administrative Agent was acting as Administrative Agent.

SECTION 8.07. Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties 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 the Administrative Agent or any other Lender or any of their Related Parties 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 any Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 8.08. No Other Duties; Etc. Anything herein to the contrary notwithstanding, the Lead Arranger and any bookrunner listed on the cover page hereof shall not, in such capacities, have any powers, duties or responsibilities under any of the Loan Documents.

SECTION 8.09. Intercreditor Agreement Governs. The Administrative Agent, each Lender and each Obligor hereby agrees that it will be bound by and will take no actions contrary to the provisions of the Intercreditor Agreement and any other intercreditor agreement entered into pursuant to the terms hereof. Each Lender hereby authorizes and instructs the Administrative Agent to enter into the Intercreditor Agreement and each other intercreditor agreement entered into pursuant to the terms hereof (including any amendments or other modifications thereof) and to subject the Liens securing the Obligations to the provisions thereof.

SECTION 8.10. Collateral Matters: Credit Bidding.

(a) Except with respect to the exercise of setoff rights in accordance with Section 9.03 or with respect to a Secured Creditor's right to file a proof of claim in an insolvency proceeding, no Secured Creditor shall have any right individually to realize upon any of the Collateral or to enforce any Guarantee of the Obligations, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Creditors in accordance with the terms thereof.

(b) The Secured Creditors hereby irrevocably authorize the Administrative Agent, at the direction of the Majority Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of any bankruptcy laws, including under Sections 363, 1123 or 1129 of the United States Bankruptcy Code, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law; *provided* that to the extent the Loans are paid in full in cash, the Commitments are terminated and the Letters of Credit cash collateralized in accordance with the terms hereof, the consent of Majority Lenders shall not be required in connection with any such credit bid. In connection with any such credit bid and purchase, the Obligations owed to the Secured Creditors shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Majority Lenders and, except as set forth above, with the consent of the Majority Lenders, on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Creditors' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Majority Lenders or

their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Majority Lenders contained in Section 9.01 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Creditors, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Creditor or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Creditors pro rata with their original interest in such Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Creditor or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Creditor are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Creditor shall execute such documents and provide such information regarding the Secured Creditor (and/or any designee of the Secured Creditor which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. Amendments, Etc.

(a) No amendment or waiver of any provision of this Agreement or any other Loan Document, nor consent to any departure by a Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrowers and the Majority Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, that no amendment, waiver or consent shall, unless in writing and signed by each Lender directly and adversely affected thereby, do any of the following: (i) subject such Lender to any additional obligations including, without limitation, any extension of the expiry date of the Commitment of such Lender or increase the Commitment of such Lender, (ii) reduce the principal of, or rate of interest on, any Loan, L/C Reimbursement Obligation or any fees or other amounts payable hereunder, (iii) postpone any date for payment of principal of, or interest on, any Loan, L/C Reimbursement Obligation or any fees or other amounts payable hereunder when due (other than fees or other amounts payable for the sole account of an Issuing Lender), or (iv) modify any of the provisions of the Loan Documents relating to pro rata payments; and provided further, that no amendment, waiver or consent shall, unless in writing and signed by all of the Lenders, change the percentage of the Commitments or

of the aggregate unpaid principal amount of the Loans, or the number of Lenders, which shall be required for the Lenders or any of them to take any action hereunder, (A) amend Section 3.07(a) or (b), or this Section 9.01, or (B) release all or substantially all of the Collateral or all or substantially all of the value of the Guarantees provided by the Guarantors; and provided further, that (x) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and the Issuing Lenders in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent or, as the case may be, the Issuing Lenders under any Loan Document and (y) if the Administrative Agent and KCMH shall have jointly identified an obvious error or any error or omission of a technical or immaterial nature in any provision of the Loan Documents, then the Administrative Agent and KCMH shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document if the same is not objected to in writing by the Majority Lenders within five Business Days after notice thereof. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

(b) This Agreement, the other Loan Documents and the other agreements provided for herein constitute the entire agreement of the parties hereto and thereto with respect to the subject matter hereof and thereof.

SECTION 9.02. Notices, KCMH as Administrative Borrower, Etc.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsections (b) and (c) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, in each case, as follows:

(i) if to any Borrower or any Guarantor:

c/o KKR Capital Markets Holdings L.P.
30 Hudson Yards, Suite 7500
New York, New York 10001
Attention: John Knox – Financial Controller; Jeff Schwartz - Counsel
Telephone: [***]
Facsimile: [***]
Electronic Mail: [***]

(ii) if to the Administrative Agent:

Mizuho Bank, Ltd.
New York Branch

1271 Avenue of the Americas
New York, New York 10020
Attention: Sean Pattap
Telephone: [***]
Electronic Mail: [***]

(iii) if to the Issuing Lender:

Mizuho Bank, Ltd.
New York Branch
1271 Avenue of the Americas
New York, New York 10020
Attention: Sean Pattap
Telephone: [***]
Electronic Mail: [***]

(iv) if to a Lender, to it at its address (or telecopier number, electronic mail address or telephone number) set forth in its Administrative Questionnaire;

provided, that any party may change its address, telecopier number, electronic mail address or telephone number for notices and other communications hereunder by notice to the other parties. Except as provided in clause (d) below, notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient), except that notices and communications to the Administrative Agent pursuant to Article II or Article VII shall not be effective until received by the Administrative Agent. Notices delivered through electronic communications to the extent provided in clause (b) below, shall be effective as provided in said clause (b).

(b) Notices and other communications to any Lender hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or any Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or

intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Each Borrower further agrees that the Administrative Agent may make communications to Lenders available to the Lenders by posting the communications on Intralinks or a substantially similar electronic transmission system (the "Platform"). THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, 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 AGENT PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT OR ANY OF ITS AFFILIATES OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, ADVISORS OR REPRESENTATIVES (COLLECTIVELY, THE "AGENT PARTIES") HAVE ANY LIABILITY TO ANY OBLIGOR, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF SUCH OBLIGOR'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT THE LIABILITY OF ANY AGENT PARTY IS FOUND IN A FINAL NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED PRIMARILY FROM SUCH AGENT PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(d) The Administrative Agent agrees that the receipt of the communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the communications to the Administrative Agent for purposes of the Loan Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying that the communications have been posted to the Platform shall constitute effective delivery of the communications to such Lender for purposes of the Loan Documents. Each Lender agrees (i) to provide to the Administrative Agent in writing (including by electronic communication), promptly after the date of this Agreement, one or more e-mail addresses to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such e-mail address or addresses.

(e) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

(f) The Borrowers each hereby irrevocably appoint KCMH as the administrative borrower with respect to this Agreement and the other Loan Documents, and all notices, demands and interactions with KCMH are hereby authorized by the other Borrowers, and shall be conclusive and binding on the other Borrowers, who duly and irrevocably authorize KCMH to act on their behalf for all purposes under this Agreement and the other Loan Documents, and the Administrative Agent and the Lenders may conclusively rely on all notices, directions, and other interactions with KCMH without consulting in any manner with the other Borrowers.

SECTION 9.03. No Waiver; Remedies; Setoff.

(a) No failure on the part of any Lender or the Administrative Agent to exercise, and no delay in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

(b) If an Event of Default shall have occurred and be continuing, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender to or for the credit or the account of any Borrower against any and all of the obligations of such now or hereafter existing under this Agreement or any other Loan Document to such Lender irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations of such Borrower may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender may have. Each Lender agrees to notify KCMH and the Administrative Agent promptly after any such setoff and application, provided, that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 9.04. Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrowers jointly and severally shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Lead Arranger and their respective Affiliates (including the reasonable fees, charges and disbursements of one counsel (together with one local counsel in each relevant jurisdiction)), in connection with the syndication of the facility contemplated hereby, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof, (ii) all out-of-pocket expenses incurred by the Administrative Agent and the Lenders (including the fees, charges and disbursements of one counsel (together with one local counsel in each relevant jurisdiction) and, after notice to KCMH, of more than one such counsel to the extent the Administrative Agent or

any Lender reasonably determines that there is an actual conflict of interest requiring the employment of separate counsel) in connection with the enforcement (including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect thereof) or, during the continuance of an Event of Default, protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section and (iii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Lender in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder.

(b) Indemnification by the Borrower. The Borrowers jointly and severally hereby indemnify the Administrative Agent, the Lead Arranger, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of one counsel for the Indemnitees (together with one local counsel in each relevant jurisdiction) and, after notice to KCMH, of more than one such counsel to the extent any Indemnitee reasonably determines that there is an actual conflict of interest requiring the employment of separate counsel), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by any Borrower or any other Obligor arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Borrower or any other Obligor 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 (x) are determined by a final and nonappealable judgment of a court of competent jurisdiction to have resulted from the bad faith, gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by any Borrower against an Indemnitee for material breach of such Indemnitee's obligations hereunder or under any other Loan Document, if such Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. This Section 9.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under clause (a) or (b) of this Section to be paid by it to the Administrative Agent, the Issuing Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent, the Issuing Lender or such Related Party, as the case may be, such Lender's Commitment Percentage (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 or the Issuing Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent or the Issuing Lender in connection with such capacity.

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, each party hereto agrees that it will not assert, and hereby waives, any claim against any other party hereto, 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, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any Letter of Credit or the use of proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the bad faith, gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than 15 Business Days after demand therefor.

SECTION 9.05. Binding Effect, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Administrative Agent and each Lender and their respective successors and permitted assigns, except that no Borrower shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the Administrative Agent and the Lenders.

SECTION 9.06. Assignments and Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of clause (b) of this Section, (ii) by way of participation in accordance with the provisions of clause (d) of this Section or (iii) by way of pledge or assignment of a security interest in accordance with clause (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). 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, Participants to the extent provided in clause (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees 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); provided, that

(i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the 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 or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof, unless each of the Administrative Agent and, unless an Event of Default has occurred and is continuing, KCMH otherwise consents (each such consent not to be unreasonably withheld or delayed);

(ii) 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 with respect to the Loans or the Commitment assigned;

(iii) 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 and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire; and

(iv) no assignment shall be made to a natural person.

Subject to notice to KCMH and acceptance and recording thereof by the Administrative Agent pursuant to clause (c) of this Section, from and after the Assignment Date specified in each Assignment and Assumption (an "Assignment Date"), the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and 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 3.09, 3.11, 3.12 and 9.04 with respect to facts and circumstances occurring prior to such Assignment Date. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection 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 (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrowers, shall maintain at its address specified in Section 9.02 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 Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the

Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, any Borrower or the Administrative Agent, sell participations to any Person (other than a natural person or any Borrower or any of any of KCMH's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided, that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

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 of Section 9.01 that affects such Participant. Subject to clause (e) of this Section, each Borrower agrees that each Participant shall be entitled to the benefits and obligations of Sections 3.09, 3.11, and 3.12 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 9.06. Each Lender that sells a participation agrees, at the Borrowers' request and expense, to use reasonable efforts to cooperate with the Borrowers to effectuate the provisions of Section 3.13(b) with respect to any Participant. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary 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 shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Sections 3.09, 3.11 and 3.12 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant.

(f) Certain Pledges. Any Lender, without the consent of any Borrower or the Administrative Agent may at any time grant security interest in all or any portion of its rights

under this Agreement or any Note to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided, that no such pledge or assignment shall release such Lender from any of its obligations hereunder.

(g) Resignation as Issuing Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time MHCB assigns all of its Commitment and Loans pursuant to Section 9.06(b), MHCB may, upon 30 days' notice to KCMH and the Lenders, resign as Issuing Lender. In the event of any such resignation as Issuing Lender, KCMH shall be entitled to appoint, from among the Lenders, a successor Issuing Lender hereunder; provided, however, that no failure by KCMH to appoint any such successor shall affect the resignation of MHCB as Issuing Lender. If MHCB resigns as Issuing Lender, it shall retain all the rights, powers, privileges and duties of the Issuing Lender hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as Issuing Lender and all L/C Exposure with respect thereto. Upon the appointment of a successor Issuing Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Lender, and (b) the successor Issuing Lender shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to MHCB to effectively assume the obligations of MHCB with respect to such Letters of Credit.

SECTION 9.07. GOVERNING LAW; JURISDICTION; ETC.

(A) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(B) SUBMISSION TO JURISDICTION. EACH BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH BORROWER 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 COURT OR, TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH BORROWER 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. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(C) WAIVER OF VENUE. EACH BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN CLAUSE (B) ABOVE. EACH BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(D) SERVICE OF PROCESS. EACH BORROWER AGREES THAT SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, AT ITS ADDRESS SET FORTH IN SECTION 9.02, OR AT SUCH OTHER ADDRESS OF WHICH THE ADMINISTRATIVE AGENT SHALL HAVE BEEN NOTIFIED IN WRITING BY **KCMH**.

SECTION 9.08. 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 9.09. Counterparts; Effectiveness; Execution.

(a) Counterparts; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. 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 that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Loan Documents or any Assignments. The words "execution," "signed," "signature," and words of like import in this Agreement or any other Loan Documents or any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 9.10. Survival. The provisions of Sections 3.09, 3.11 and 3.12 and Article VIII and Section 9.04 shall survive and remain in full force and effect regardless of the

consummation of the transactions contemplated hereby, the repayment of the Loans and the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.11. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY 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 OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON 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 THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 9.12. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and will be subject to customary confidentiality obligations of professional practice or will agree (which agreement may be oral or pursuant to company policy) to be bound by the terms of this Section 9.12 (or language substantially similar to this Section 9.12)), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any Self Regulatory Organization), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies under this Agreement or any other Loan Document or any action or proceeding relating to the Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, 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 or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any Borrower and its obligations, (g) with the consent of KCMH or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a non-confidential basis from a source other than KCMH or its Subsidiary.

For purposes of this Section, "Information" means all information received from KCMH or any of its Subsidiaries relating to KCMH or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by KCMH or any of its Subsidiaries. Any Person required to maintain the confidentiality of Information as provided in this Section 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.

SECTION 9.13. No Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby, each Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) the credit facility provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document) are an arm's length commercial transaction between the Borrowers and their Affiliates, on the one hand, and the Administrative Agent and the Lead Arranger, on the other hand, and each Borrower is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification thereof); (b) in connection with the process leading to such transaction, the Administrative Agent and the Lead Arranger, each is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for any Borrower or any of its Affiliates, equity holders, creditors or employees or any other Person; (c) neither the Administrative Agent nor the Lead Arranger has assumed or will assume an advisory, agency or fiduciary responsibility in favor of any Borrower with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment waiver or other modification hereof or of any other Loan Document (irrespective of whether the Administrative Agent or the Lead Arranger has advised or is currently advising any Borrower or any of its Affiliates on other matters) and neither the Administrative Agent nor the Lead Arranger has any obligation to any Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; (d) the Administrative Agent and the Lead Arranger and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their Affiliates, and neither the Administrative Agent nor the Lead Arranger has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (e) the Administrative Agent and the Lead Arranger have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and the Borrowers have consulted their own legal, accounting, regulator and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent and the Lead Arranger with respect to any breach or alleged breach of agency or fiduciary duty.

SECTION 9.14. 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 9.15. USA PATRIOT Act. Each Lender hereby notifies each Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies such Borrower, which information includes the name and address of the Borrowers and other information that will allow such Lender to identify such Borrower in accordance with the Patriot Act.

SECTION 9.16. Judgment Currency. This is an international loan transaction in which the specification of Dollars or an Alternate Currency, as the case may be (the "Specified Currency"), and any payment in New York City or the country of the Specified Currency, as the case may be (the "Specified Place"), is of the essence, and the Specified Currency shall be the currency of account in all events relating to amounts denominated in such Specified Currency. The payment obligations of the Borrowers under this Agreement and the other Loan Documents shall not be discharged by an amount paid in another currency or in another place, whether pursuant to a judgment or otherwise, to the extent that the amount so paid on conversion to the Specified Currency and transfer to the Specified Place under normal banking procedures does not yield the amount of the Specified Currency at the Specified Place due hereunder. If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Specified Currency into another currency (the "Second Currency"), the rate of exchange which shall be applied shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the Specified Currency with the Second Currency on the Business Day next preceding that on which such judgment is rendered. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or any Lender hereunder shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be due hereunder or under the Notes in the Second Currency to the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase and transfer to the Specified Place the Specified Currency with the amount of the Second Currency so adjudged to be due; and the Borrowers hereby, as a separate obligation and notwithstanding any such judgment, jointly and severally agree to indemnify the Administrative Agent or such Lender, as the case may be, against, and to pay the Administrative Agent or such Lender, as the case may be, on demand in the Specified Currency, any difference between the sum originally due to the Administrative Agent or such Lender, as the case may be, in the Specified Currency and the amount of the Specified Currency so purchased and transferred.

SECTION 9.17. European Monetary Union. (a) Definitions. In this Section 9.17 and in each other provision of this Agreement to which reference is made in this Section 9.17 (whether expressly or impliedly), the following terms have the following respective meanings:

"EMU" shall mean economic and monetary union as contemplated in the Treaty on European Union.

"EMU Legislation" shall mean legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency, being in part the implementation of the third stage of EMU.

"Euro" shall mean the single currency of Participating Member States of the European Union, which shall be a Currency under this Agreement.

"Euro Unit" shall mean a currency unit of the Euro.

"National Currency Unit" shall mean a unit of any Currency (other than a Euro Unit) of a Participating Member State.

"Participating Member State" shall mean each state so described in any EMU Legislation.

"Target Operating Day" shall mean any day that is not (a) a Saturday or Sunday, (b) Christmas Day or New Year's Day or (c) any other day on which the Trans-European Real-time Gross Settlement Express Transfer system (or any successor settlement system) is not operating (as determined by the Administrative Agent).

"Treaty on European Union" shall mean the Treaty of Rome of March 25, 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed at Maastricht on February 7, 1992, and came into force on November 1, 1993), as amended from time to time.

(a) Alternative Currencies. If and to the extent that any EMU Legislation provides that an amount denominated either in the Euro or in the National Currency Unit of a Participating Member State and payable within the Participating Member State by crediting an account of the creditor can be paid by the debtor either in the Euro Unit or in that National Currency Unit, any party to this Agreement shall be entitled to pay such amount either in the Euro Unit or in such National Currency Unit.

(b) Payments by the Administrative Agent Generally. With respect to the payment of any amount denominated in the Euro or in a National Currency Unit, the Administrative Agent shall not be liable to any Borrower or any of the Lenders in any way whatsoever for any delay, or the consequences of any delay, in the crediting to any account of any amount required by this Agreement to be paid by the Administrative Agent if the Administrative Agent shall have taken all relevant steps to achieve, on the date required by this Agreement, the payment of such amount in immediately available, freely transferable, cleared funds (in the Euro Unit or, as the case may be, in a National Currency Unit) to the account of any Borrower or any Lender, as the case may be, in the Principal Financial Center in the Participating Member State which the Borrower or, as the case may be, such Lender shall have specified for such purpose. In this paragraph (c), "all relevant steps" shall mean all such steps as may be prescribed from time to time by the regulations or operating procedures of such clearing or settlement system as the Administrative Agent may from time to time reasonably determine for the purpose of clearing or settling payments of the Euro.

(c) [Reserved].

(d) Rounding. Without prejudice and in addition to any method of conversion or rounding prescribed by the EMU Legislation, each reference in this Agreement to a minimum amount (or a multiple thereof) in a National Currency Unit to be paid to or by the Administrative Agent shall be replaced by a reference to such reasonably comparable and convenient amount (or a multiple thereof) in the Euro Unit as the Administrative Agent may from time to time specify.

(e) Other Consequential Changes. Without prejudice to the respective liabilities of the Borrowers to the Lenders and the Lenders to the Borrowers under or pursuant to

this Agreement, except as expressly provided in this Section 9.17, each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be necessary or appropriate to reflect the introduction of or changeover to the Euro in Participating Member States.

SECTION 9.18. Acknowledgement and Consent to Bail-In of Affected Financial Institutions

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected 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 the applicable Resolution Authority.

SECTION 9.19. Existing Letters of Credit and Existing Loans. The parties to this Agreement agree that, on the Closing Date, the terms and provisions of the Existing Credit Agreement shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement. This Agreement is not intended to and shall not constitute a novation. Existing Loans, Existing Letters of Credit and Obligations incurred under the Existing Credit Agreement which are outstanding on the Closing Date shall continue as Loans, Letters of Credit and Obligations under (and shall be governed by the terms of) this Agreement and the other Loan Documents. Without limiting the foregoing, upon the effectiveness of the amendment and restatement contemplated hereby on the Closing Date, all references in the "Loan Documents" (as defined in the Existing Credit Agreement) to the "Administrative Agent", the "Credit Agreement" and the "Loan Documents" shall be deemed to refer to the Administrative Agent, this Agreement and the Loan Documents.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers or representatives thereunto duly authorized, as of the date first above written.

KKR CAPITAL MARKETS HOLDINGS L.P.,
as a Borrower

By: KKR CAPITAL MARKETS HOLDINGS GP LLC, its general
partner

By: /s/ Adam Smith
Name: Adam Smith
Title: Chief Executive Officer

KKR CORPORATE LENDING LLC, as a Borrower

By: /s/ Adam Smith

Name: Adam Smith
Title: Chief Executive Officer

KKR CORPORATE LENDING (UK) LLC, as a Borrower

By: /s/ Adam Smith

Name: Adam Smith
Title: Chief Executive Officer

[Signature Page to 5-Year Revolving Credit Agreement]

KKR CORPORATE LENDING (CA) LLC, as a Borrower

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

KKR CORPORATE LENDING (TN) LLC, as a Borrower

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

[Signature Page to 5-Year Revolving Credit Agreement]

MIZUHO BANK, LTD., as Administrative Agent and as a Lender

By: /s/ Donna DeMagistris

Name: Donna DeMagistris

Title: Executive Director

[Signature Page to 5-Year Revolving Credit Agreement]

CERTAIN INFORMATION, IDENTIFIED BY, AND REPLACED WITH, A MARK OF “[**]”, HAS BEEN EXCLUDED FROM THIS DOCUMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

\$750,000,000

364-DAY REVOLVING CREDIT AGREEMENT

Dated as of April 4, 2024

Among

**KKR CAPITAL MARKETS HOLDINGS L.P.,
KKR CORPORATE LENDING LLC,
KKR CORPORATE LENDING (CA) LLC,
KKR CORPORATE LENDING (TN) LLC**

and

KKR CORPORATE LENDING (UK) LLC
as Borrowers,

THE LENDERS PARTY HERETO

and

MIZUHO BANK, LTD.,
as Administrative Agent

MIZUHO BANK, LTD.,
as Sole Lead Arranger and Sole Bookrunner

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Exhibit E-4 Form of Tax Statement for Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes

Exhibit F Form of Additional Borrower Joinder Agreement

364-DAY REVOLVING CREDIT AGREEMENT dated as of April 4, 2024 (as further amended or otherwise modified from time to time, this "Agreement") among KKR CAPITAL MARKETS HOLDINGS L.P., a Delaware limited partnership ("KCMH"), KKR CORPORATE LENDING LLC, a Delaware limited liability company ("KCL U.S."), KKR CORPORATE LENDING (CA) LLC, a Delaware limited liability company ("KCL C.A."), KKR CORPORATE LENDING (TN) LLC, a Delaware limited liability company ("KCL T.N.") and KKR CORPORATE LENDING (UK) LLC, a Delaware limited liability company ("KCL U.K."); KCMH, KCL U.S., KCL C.A., KCL T.N. and KCL U.K. and any Additional Borrower are collectively referred to herein as the "Borrowers" and individually sometimes as a "Borrower"), each of the Lenders (as defined below), and MIZUHO BANK, LTD., as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

WHEREAS, the parties hereto hereby agree, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms shall have the following respective meanings:

"ABR" means a fluctuating interest rate per annum which shall at any time be the higher of:

- (a) 1/2 of 1.00% per annum above the Federal Funds Rate; and
- (b) Term SOFR for a one-month tenor in effect on such day plus 1.00%.

Any change in the ABR due to a change in the Federal Funds Rate or Term SOFR shall be effective from and including the effective date of such change in the Federal Funds Rate or Term SOFR, respectively.

"ABR Loan" means, at any time, a Loan which bears interest at rates based upon the ABR.

"ABR Term SOFR Determination Day" has the meaning specified in the definition of "Term SOFR".

"Additional Borrower" shall mean any Person who shall from time to time after the Closing Date become a party hereto as a "Borrower" hereunder upon the satisfaction of the conditions set forth in Section 6.01(i)(ii).

"Additional Borrower Joinder Agreement" shall mean the joinder agreement substantially in the form of Exhibit F.

"Administrative Agent" has the meaning specified in the introduction hereto.

“Administrative Agent’s Account” means, with respect to any Currency, the account of the Administrative Agent for such Currency most recently designated by it as such by notice to KCMH and the Lenders.

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

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

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

“Aggregate Borrowing Availability” means, at any time, the Aggregate Facility Amount at such time minus the Total Credit Exposure at such time.

“Aggregate Facility Amount” means, at any time, the aggregate amount of the Commitments then in effect. The initial Aggregate Facility Amount is \$750,000,000.

“Allocable Amount” has the meaning specified in Section 2.06(b).

“Alternate Currency” means the Euro, Sterling and any other currency acceptable to the Lenders that is freely convertible into Dollars and available to be borrowed in the interbank market in London or the Principal Financial Center for such currency, so long as no central bank or other governmental authorization in the country of issue of such currency (including, in the case of the Euro, any authorization by the European Central Bank) is required to permit the use of such currency by any Lender for making any Loan hereunder and/or permit a Borrower to borrow and repay the principal thereof and to pay the interest thereon, unless such authorization has been obtained and is in full force and effect.

“Alternate Currency Equivalent” means, on any date, with respect to any amount denominated in a given currency, the amount of Alternate Currency that would be required to purchase such amount of such given currency at or about 11:00 a.m., Local Time, on such date, for delivery two Business Days later, as determined by the Administrative Agent on the basis of the spot selling rate for the offering of such given currency for Alternate Currency in the Principal Financial Center for the applicable given currency, all determinations thereof by the Administrative Agent to be conclusive and binding on the parties in the absence of manifest error.

“Applicable Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Lending Office” in the Administrative Questionnaire of such Lender or in the Assignment and Assumption pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to KCMH and the Administrative Agent. It is understood and agreed that unless otherwise hereafter notified, the Applicable Lending Office for MHC and its Affiliates shall be its New York branch.

"Applicable Margin" has the meaning specified in Annex A.

"Approved Fund" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 9.06(b)) and accepted by the Administrative Agent, substantially in the form of Exhibit D or any other form approved by the Administrative Agent.

"Available Tenor" means, as of any date of determination and with respect to the relevant then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 3.04(c).

"Availability Period" means the period from the Closing Date until the earlier of (a) the Commitment Termination Date and (b) the date of termination of the Commitments.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means (a) 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, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Benchmark" means, initially, with respect to any Term Benchmark Loan or RFR Loan in any Specified Currency, the applicable Relevant Rate for such Specified Currency; provided that if a Benchmark Transition Event has occurred with respect to a then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.04(c).

"Benchmark Replacement" means with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

- (1) in the case of any Loan denominated in Dollars, the applicable Daily Simple RFR;
- (2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor, if applicable, 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 or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for syndicated credit facilities denominated in the applicable Specified Currency at such time and (b) the related Benchmark Replacement Adjustment; provided that, in the case of the immediately preceding clause (b), such adjustment shall not be in the form of an increase of the Applicable Margin.

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor 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, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor, if applicable, 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 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 Dollars or the applicable Alternate Currency, as applicable; provided that such adjustment shall not be in the form of an increase of the Applicable Margin.

"Benchmark Replacement Conforming Changes" means, with respect to the use, administration or implementation of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," 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, the applicability and length of lookback periods, the applicability of breakage provisions, the formula for calculating any successor rates identified pursuant to

the definition of “Benchmark Replacement”, the formula, methodology or convention for applying the successor floor to the successor Benchmark Replacement and other technical, administrative or operational matters) that the Administrative Agent decides (in consultation with the Borrower) may be appropriate to reflect the adoption and implementation of any such rate and to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice applicable to such rate (or, if the Administrative Agent decides (in consultation with the Borrower) 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 any such rate exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Borrower) is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Benchmark Replacement Date” means, with respect to a then-current 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 or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) 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 a Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the relevant Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the relevant “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) or with respect to any relevant Benchmark upon the occurrence of the applicable event or events set forth therein solely to the extent such event applies with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means the occurrence of one or more of the following events with respect to the 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 Federal Reserve Bank of New York, 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), 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 or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a “Benchmark Transition Event” (a) will be deemed to have occurred with respect to any Benchmark solely to the extent that 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”, with respect to each applicable then-current Benchmark, means 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 3.04(c) 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 3.04(c).

“Borrowers” and “Borrower” have the respective meanings specified in the heading hereof.

"Borrowing" means a borrowing consisting of simultaneous Loans of the same Type made by the Lenders to a Borrower pursuant to Section 2.01.

"Broker-Dealer Subsidiary" means each of (i) KCM U.K., (ii) KCM U.S., (iii) (x) prior to the KCM Asia Reorganization Effective Date, KCM Asia and (y) after the KCM Asia Reorganization Effective Date, KCM Asia II, (iv) KCM Japan, (v) KCM Ireland and (vi) any other direct or indirect broker-dealer Subsidiary of KCMH.

"Business Day" means (a) a day on which commercial banks are not authorized by law or required to close in New York City, (b) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a Term Benchmark Loan denominated in an Alternate Currency (other than Euros or Sterling), or a notice with respect thereto, that is also a day on which commercial banks and foreign exchange markets settle payments in the Principal Financial Center for such currency, (c) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for, a Term Benchmark Loan denominated in Euros, or a notice with respect thereto, that is also a Target Operating Day (as defined in Section 9.17), (d) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on, any SONIA Rate Loan, or a notice with respect thereto, a London Banking Day, (e) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a RFR Loan, or a notice with respect thereto, that is also a RFR Business Day and (f) if such day relates to a Borrowing of, or a payment or prepayment of principal of or interest on or an Interest Period for a Term Benchmark Loan, or a notice with respect thereto, that is also a U.S. Government Securities Business Day.

"Cash Equivalents" means:

(a) securities issued or unconditionally guaranteed by the United States government or any agency or instrumentality thereof, in each case having maturities of not more than 12 months from the date of acquisition thereof;

(b) securities issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof or any political subdivision of any such state or any public instrumentality thereof having maturities of not more than 12 months from the date of acquisition thereof and, at the time of acquisition, having an investment grade rating generally obtainable from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, then from another nationally recognized rating service);

(c) commercial paper issued by any Lender or any bank holding company owning any Lender;

(d) commercial paper maturing no more than 12 months after the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

(e) certificates of deposit or bankers' acceptances, having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service), maturing no more than one year after the date of acquisition thereof issued by any Lender or any other bank having combined capital and surplus of not less than \$200,000,000 in the case of domestic banks and \$100,000,000 (or the Dollar Equivalent thereof) in the case of foreign banks;

(f) repurchase agreements with a term of not more than 90 days for underlying securities of the type described in clauses (a), (b) and (e) above entered into with any bank meeting the qualifications specified in clause (e) above or securities dealers of recognized national standing;

(g) marketable short-term money market and similar funds having a rating of at least A-1 or P-1 from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, an equivalent rating from another nationally recognized rating service);

(h) shares of investment companies that are registered under the Investment Company Act of 1940 and substantially all the investments of which are one or more of the types of securities described in clauses (a) through (g) above; and

(i) in the case of any non-U.S. organized Subsidiary or investment made in a country outside the United States, other customarily utilized high-quality investment in the country where such non-U.S. organized Subsidiary is located or in which such investment is made and of a type analogous to the foregoing.

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

"CBR Spread" means the Applicable Margin, 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) Sterling, the Bank of England (or any successor thereto)'s "Bank Rate" as published by the Bank of England (or any successor thereto) from time to time, (b) 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 (e) any other Alternate Currency determined after the Closing Date, a central bank rate as determined by the Administrative Agent in

its reasonable discretion and (ii) the Floor; 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 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 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, (b) Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of Daily Simple RFR for Sterling Borrowings for the five most recent RFR Business Days preceding such day for which SONIA was available (excluding, from such averaging, the highest and the lowest such Daily Simple RFR applicable during such period of five RFR Business Days) minus (ii) the Central Bank Rate in respect of Sterling in effect on the last RFR Business Day in such period and (c) any other Alternate Currency determined after the Closing Date, 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 Specified Currency for a maturity of one month.

“Change in Law” means the occurrence, after the date of this Agreement, of the adoption of any law, rule, regulation or treaty, or of any change in applicable law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority having jurisdiction or the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (b) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, as amended (including as such law forms a part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended, including without limitation, by the European Union (Withdrawal Agreement) Act 2020)), shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued; provided further, that any increased costs associated with a Change in Law based on the foregoing clauses (a) and/or (b) may only be imposed to the extent the relevant Lender or Issuing Lender, as applicable, imposes the same charges generally on other similarly situated borrowers under comparable credit facilities.

“Change of Control” means, and shall be deemed to have occurred if, (a) KKR and/or its Affiliates shall at any time not own, directly or indirectly, beneficially and of record, (i) more than 50% of the voting power of the outstanding Voting Shares of KCMH and (ii) at least 25% of the outstanding Equity Interests of KCMH; (b) KCMH

shall at any time not own, directly or indirectly, beneficially and of record, more than 50% of the voting power of the outstanding Voting Shares of KCM U.S., KCM U.K. or KCM Asia II; or (c) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of KCMH cease to be composed of individuals who are employees, partners, members, directors or officers of KKR or its Affiliates.

"Closing Date" means April 4, 2024.

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

"Collateral" has the meaning specified in the Guarantee and Security Agreement.

"Commitment" means, as to each Lender, the commitment of such Lender to make Loans to the Borrowers under Section 2.01(a)(i) and purchase participations in L/C Exposure in an aggregate amount at any one time outstanding up to the amount set forth opposite such Lender's name on Schedule I or, if such Lender has entered into an Assignment and Assumption, set forth for such Lender in the Register, as such amount may be reduced pursuant to Section 2.04(b).

"Commitment Percentage" means, with respect to any Lender, at any time, the percentage of the Aggregate Facility Amount represented by such Lender's Commitment; provided, that if the Commitments have terminated or expired, the Commitment Percentages shall equal the percentage of aggregate outstanding Loans and L/C Exposure held by such Lender and if there is no outstanding Loans and L/C Exposure, the Commitment Percentage shall be determined based upon the Commitments most recently in effect, giving effect to any assignments.

"Commitment Termination Date" means the date 364 days after the Closing Date, provided that if such date is not a Business Day, the Commitment Termination Date shall be the immediately preceding Business Day.

"Continuation", "Continue" and "Continued" refer to a continuation of Term Benchmark Loans from one Interest Period to the next Interest Period pursuant to Section 3.05(b).

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

"Convert", "Conversion" and "Converted" refer to a conversion of Loans of one Type into Loans of the other Type pursuant to Section 3.04 or Section 3.05, except that no Conversion may be made into Daily Simple RFR Loans denominated in Dollars until after the occurrence of a Benchmark Replacement pursuant to clause (1) of the definition thereof in accordance with Section 3.04(c).

"Corresponding Tenor" with respect to any Available Tenor means, 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.

"Cure Right" has the meaning specified in Section 7.02.

"Currencies" means, collectively, Dollars and the Alternate Currencies.

"Daily Simple RFR" means, for any day (an "RFR Interest Day"), a rate per annum equal to, for any Obligations, interest, fees, commissions or other amounts denominated in, or calculated with respect to:

(a) Dollars, the greater of (i) SOFR for the day (such day, a "Dollar RFR Determination Day") that is five RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website; provided that if by 5:00 p.m. (New York City time) on the second (2nd) RFR Business Day immediately following any Dollar RFR Determination Day, SOFR in respect of such Dollar RFR Determination Day has not been published on the SOFR Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple RFR for Dollars has not occurred, then SOFR for such Dollar RFR Determination Day will be SOFR as published in respect of the first preceding RFR Business Day for which such SOFR was published on the SOFR Administrator's Website; provided further that SOFR as determined pursuant to this proviso shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Interest Days, and (ii) the Floor; and

(b) Sterling, the greater of (i) SONIA for the day (such day, a "Sterling RFR Determination Day") that is five RFR Business Days prior to (A) if such RFR Interest Day is an RFR Business Day, such RFR Interest Day or (B) if such RFR Interest Day is not an RFR Business Day, the RFR Business Day immediately preceding such RFR Interest Day, in each case, as such SONIA is published by the SONIA Administrator on the SONIA Administrator's Website; provided that if by 5:00 p.m. (London time) on the second (2nd) RFR Business Day immediately following any Sterling RFR Determination Day, SONIA in respect of such Sterling RFR Determination Day has not been published on the SONIA Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple RFR for Sterling has not occurred, then SONIA for such Sterling RFR Determination Day will be SONIA as published in respect of the first preceding RFR Business Day for which such SONIA was published on the SONIA Administrator's Website; provided further that SONIA as determined pursuant to this proviso shall be utilized for purposes of calculation of Daily Simple RFR for no more than three (3) consecutive RFR Interest Days and (ii) the Floor.

"Debt to Equity Ratio" means, as of any date of determination, the ratio of Total Debt to Total Equity.

"Default" means any event or condition that constitutes an Event of Default or that, with notice or lapse of time or both, would become an Event of Default.

"Defaulting Lender" means, subject to Section 3.14(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the requesting Borrower 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, or (ii) pay to the Administrative Agent, the Issuing Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within two Business Days of the date when due, (b) has notified KCMH, the Administrative Agent or the Issuing Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (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) has failed, within three Business Days after written request by the Administrative Agent or KCMH, to confirm in writing to the Administrative Agent and KCMH that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and KCMH), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any bankruptcy, insolvency, reorganization or similar law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest 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. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 3.14(b)) upon delivery of written notice of such determination to KCMH, the Issuing Lender and each Lender.

"Designated Entity" means at any time, any corporation, partnership, limited liability company or other entity formed or acquired after the Closing Date that is not a Borrower and of which at least a majority but less than 100% of the Voting Shares are at the time directly or indirectly owned or controlled by KCMH or one or more Subsidiaries

of KCMH, which has been designated in a written notice from KCMH to the Administrative Agent as a Designated Entity; provided that at the time of such designation (a) no Default or Event of Default would result from such designation and (b) after giving pro forma effect to such designation the Debt to Equity Ratio is less than or equal to **[**]** to 1.00. KCMH may, by written notice to the Administrative Agent, de-designate any Designated Entity and thereafter such entity shall not longer constitute a Designated Entity, but only if (a) no Default or Event of Default would result from such de-designation and (b) after giving pro forma effect to such de-designation the Debt to Equity Ratio is less than or equal to **[**]** to 1.00; provided further that notwithstanding the foregoing, KKR-MM Vector GP LLC, KKR-MM Vector L.P., Merchant Capital Solutions LLC, MCS Corporate Lending LLC, MCS Capital Markets LLC, **[**]**, **[**]**, any entity formed for the purpose of acting in an administrative or other agency roles in respect of financings (with written notice thereof provided by KCMH to the Administrative Agent) and any of their respective direct or indirect subsidiaries, now existing or hereafter formed, shall each be deemed a Designated Entity (unless otherwise de-designated by KCMH in accordance with this definition).

"Determination Day" has the meaning specified in the definition of "Term SOFR".

"Disqualified Equity Interests" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests 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 (other than solely for Equity Interests other than Disqualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof (other than solely for Equity Interests other than Disqualified Equity Interests), 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 Interests that would constitute Disqualified Equity Interests, in each case of clauses (a) through (d) above, prior to the date that is ninety-one days after the Commitment Termination Date.

"Dollar Equivalent" means, on any date, with respect to any amount denominated in an Alternate Currency, the amount of Dollars that would be required to purchase such amount of such Alternate Currency at or about 11:00 a.m., Local Time, on such date, for delivery two Business Days later, as determined by the Administrative Agent on the basis of the spot selling rate for the offering of such Alternate Currency for Dollars in the Principal Financial Center for the applicable Alternate Currency, all determinations thereof by the Administrative Agent to be conclusive and binding on the parties in the absence of manifest error.

"Dollar RFR Determination Day" has the meaning specified in the definition of "Daily Simple RFR".

"Dollars" and "\$" refers to lawful money of the United States.

***[**]**=Certain information contained in this document, marked by **[**]**, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

“Domestic Subsidiary” means any Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

“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.

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

“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.

“Eligible Assignee” means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other Person (other than a natural person) approved by the Administrative Agent and the Issuing Lender and, unless an Event of Default of the kind referred to in Section 7.01(a), 7.01(b), 7.01(g) or 7.01(h) has occurred and is continuing, by KCMH (each such approval not to be unreasonably withheld or delayed); provided, that notwithstanding the foregoing, assignments to any private equity fund, credit fund, hedge fund or other similar investment vehicle shall require the consent of KCMH in its sole discretion.

“Equity Interests” means shares of capital stock, partnership interests, membership interests in a limited liability company (including any securities convertible or exchangeable for such stock or interests), beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

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

“ERISA Affiliate” means any Person that, together with the Borrower, 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,” as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than those events for which the 30-day notice period is waived pursuant to Department of Labor Reg. Section 4043 as in effect on the date hereof); (b) the failure of any Plan to satisfy the minimum funding standards (as defined in Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived; (c) 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 standard with respect to any Plan; (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any of its ERISA Affiliates from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any of its ERISA Affiliates of any notice, or the receipt by any Multiemployer Plan from the Borrower or any of its ERISA Affiliates of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent within the meaning of Title IV of ERISA.

"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.

"EURIBOR Rate" means, with respect to any Term Benchmark Borrowing denominated in Euros and for any Interest Period, the EURIBOR Screen Rate, two TARGET Days prior to the commencement of such Interest Period.

"EURIBOR Screen Rate" means 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 (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters as published at approximately 11:00 a.m. Brussels time two TARGET Days prior to the commencement of such Interest Period.

"Euro" has the meaning specified in Section 9.17.

"Events of Default" has the meaning specified in Section 7.01.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Excluded Taxes" means, with respect to any recipient of any payment made to or for such recipient's account, arising from any obligation of the Borrowers hereunder to the Administrative Agent and each Lender, Taxes (a) imposed on or measured by its overall net income (however denominated), franchise Taxes and branch profit Taxes, in each case, imposed by a jurisdiction (or any political subdivision thereof) as a result of a connection between such recipient and the jurisdiction (or political subdivision thereof) imposing such tax (other than any such Taxes that would not have been imposed but for such recipient's execution, delivery or performance of its obligations under, or its receipt

of one or more payments pursuant to, this Agreement), (b) that are attributable to such recipient's failure to comply with the requirements of paragraph (e) or (f) of Section 3.11, (c) that are withholding taxes imposed on amounts payable to such recipient pursuant to a law in effect on the date on which (i) such recipient acquires an applicable interest in a Loan or Commitment or (ii) such recipient changes its lending office, except in each case to the extent that such recipient's assignor (if any) or such recipient was entitled, immediately before the time of assignment or immediately before it changed its lending office, to receive additional amounts from the Borrower with respect to such Taxes pursuant to Section 3.11(b) and (d) any withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain 364-Day Revolving Credit Agreement dated April 7, 2023 among KCMH, KCL U.S., KCL, U.K., KCL C.A., KCL T.N., MHCB as administrative agent and the lenders party thereto, as from time to time further amended, modified, supplemented, refinanced or replaced.

"FATCA" means Sections 1471 through 1474 of the Code, as of the Closing Date (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 law, regulation, rule, promulgation, or official agreement implementing an official government agreement with respect to the foregoing.

"Federal Funds 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 arranged by Federal funds brokers, as 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.

"Finance Lease Obligation" shall mean, as applied to any Person, an obligation that is required to be accounted for as a finance or capital lease (and not an operating lease) on both the balance sheet and income statement for financial reporting purposes in accordance with GAAP. At the time any determination thereof is to be made, the amount of the liability in respect of a finance or capital lease would be the amount required to be reflected as a liability on such balance sheet (excluding the footnotes thereto) in accordance with GAAP.

"Finance Subsidiary" means KCL U.K., KCL U.S., KCL C.A., KCL T.N., KCL Cayman, KKR Nitro and any other direct or indirect Subsidiary of KCMH formed for the purpose of providing financing in KCMH's financing business.

"Finance Subsidiary Debt" means Indebtedness under any warehouse credit facility or other similar line of credit entered into for the purpose of funding Indebtedness originated or extended by any Finance Subsidiary.

"Financial Officer" means the chief financial officer, principal financial officer, treasurer, controller or a director of a Borrower.

"FINRA" means the Financial Industry Regulatory Authority, or any other Self Regulatory Organization that succeeds to the functions thereof.

"Five-Year Credit Agreement" means that certain Fourth Amended and Restated 5-Year Revolving Credit Agreement dated April 4, 2024 among KCMH, KCL U.S., KCL, U.K., MHCB as administrative agent and the lenders party thereto, as amended, modified, supplemented, refinanced or replaced from time to time.

"Floor" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Dollars or any Alternate Currency. For the avoidance of doubt the initial Floor for each of Term SOFR, EURIBOR Rate, each Daily Simple RFR and the Central Bank Rate shall be 0.0%.

"Foreign Subsidiary" means any Subsidiary that is not a Domestic Subsidiary.

"Fund" means any Person (other than a natural person) that is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"General Partner" means KKR Capital Markets Holdings GP LLC, a Delaware limited liability company.

"GAAP" means accounting principles generally accepted in the United States as in effect from time to time.

"Governmental Authority" means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantee" of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness 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 to advance or supply funds for the purchase or payment of) such Indebtedness 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 obligation 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 obligation or (d) as an account party in respect of any letter of credit or letter of guarantee issued to support such Indebtedness;

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 such Guarantee is limited by its terms to a lesser amount, such lesser amount) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

“Guarantee and Security Agreement” means the Guaranty and Security Agreement, dated as of the date hereof, among the Obligors and the Administrative Agent in substantially the form of Exhibit B, as from time to time amended, modified or supplemented.

“Guarantors” means, at any time, collectively, those Subsidiaries of KCMH that are parties to the Guarantee and Security Agreement.

“Hedging Agreement” means any interest rate protection agreement, foreign currency exchange agreement or other derivative transaction.

“Indebtedness” of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or similar instruments, (b) the deferred purchase price of assets or services that in accordance with GAAP would be included as a liability on the balance sheet of such Person, (c) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder and all direct obligations arising under bankers’ acceptances, bank guaranties, surety bonds and similar instruments, (d) all Indebtedness of any other Person secured by any Lien on any property owned by such Person, whether or not such Indebtedness has been assumed by such Person, (e) the principal component of all Finance Lease Obligations, (f) all obligations of such Person under interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, commodity price protection agreements or other commodity price hedging agreements and other similar agreements, (g) without duplication, all Guarantees by such Person of Indebtedness of others and (h) all obligations of such Person in respect of Disqualified Equity Interests, provided that Indebtedness shall not include (i) trade and other ordinary course payables and accrued expenses arising in the ordinary course of business, (ii) deferred or prepaid revenue and (iii) purchase price holdbacks in respect of a portion of the purchase price of an asset to satisfy warranty or other unperformed obligations of the respective seller. The amount of Indebtedness of any Person for purposes of clause (d) shall be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the fair market value of the property encumbered thereby as determined by such Person in good faith.

“Indemnified Taxes” means (a) Taxes other than Excluded Taxes, and (b) to the extent not otherwise described in (a), Other Taxes.

“Indemnatee” has the meaning specified in Section 9.04(b).

"Intercreditor Agreement" means that certain First Lien Intercreditor Agreement dated April 4, 2024, among the Administrative Agent, the administrative agent in respect of the Five-Year Credit Agreement, the other parties thereto from time to time and acknowledged by the Obligors, as from time to time amended, modified, supplemented or replaced.

"Interest Period" means, for any Term Benchmark Loan, the period beginning on the date such Term Benchmark Loan is made, or Continued or Converted from an ABR Loan, and ending on the last day of the period selected by the Borrower pursuant to the provisions below, and thereafter each subsequent period commencing on the last day of the immediately preceding Interest Period therefor and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one month, or if agreed by the Administrative Agent, three or six months (or if available to all relevant Lenders, twelve months), as the Borrower may select by notice to the Administrative Agent no later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to such twelve-month periods, fourth Business Day) prior to the first day of such Interest Period.

Notwithstanding the foregoing:

(w) if any Interest Period would otherwise commence before and end after the Commitment Termination Date, such Interest Period shall end on the Commitment Termination Date,

(x) each Interest Period that would otherwise end on a day that is not a Business Day shall end on the next succeeding Business Day, unless such next succeeding Business Day would fall in the succeeding month, in which case such Interest Period shall end on the next preceding Business Day,

(y) each Interest Period that commences on the last day of a month (or on any day for which there is no numerically corresponding day in the appropriate subsequent month) shall end on the last Business Day of the appropriate subsequent calendar month, and

(z) Interest Periods commencing on the same day for Term Benchmark Loans comprising part of the same Borrowing shall be of the same duration.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person.

"Issuing Lender" means MHCB, and/or any other Lender from time to time designated as an Issuing Lender in a writing signed by such Lender, KCMH and the

Administrative Agent (MHCB and such other Lender being collectively referred to herein as the “Issuing Lender” unless the context otherwise requires).

“KCL Cayman” means KKR Corporate Lending (Cayman) Ltd., a Cayman limited liability company, and includes any successor thereto in accordance with this Agreement.

“KCL C.A.” has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

“KCL T.N.” has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

“KCL U.K.” has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

“KCL U.S.” has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

“KCMH” has the meaning specified in the heading hereof, and includes any successor thereto in accordance with this Agreement.

“KCM Asia” means KKR Capital Markets Asia Limited, a Hong Kong company limited by shares, and includes any successor thereto in accordance with this Agreement.

“KCM Asia II” means KKR Capital Markets Asia II Limited, a Hong Kong company limited by shares, and includes any successor thereto in accordance with this Agreement.

“KCM Asia Reorganization Effective Date” means the date upon which KCM Asia ceases to be a subsidiary of KCMH; provided that on or prior to such date, (i) KCM Asia II has become a licensed corporation under the SFO to carry on Type 1 and Type 4 regulated activities and (ii) KKR Asia LLC has received SFC approval to be a substantial shareholder of KCM Asia.

“KCM Group Entity” means KCMH and any entity in which KCMH, directly or indirectly, owns an Equity Interest.

“KCM Ireland” means KKR Capital Markets (Ireland) Limited, an Ireland limited liability company, and includes any successor thereto in accordance with this Agreement.

“KCM Japan” means KKR Capital Markets Japan Holdings LLC, a Delaware limited liability company, and includes any successor thereto in accordance with this Agreement.

“KCM U.S.” means KKR Capital Markets LLC, a Delaware limited liability company, and includes any successor thereto in accordance with this Agreement.

"KCM U.K." means KKR Capital Markets Limited, a United Kingdom limited liability company, and includes any successor thereto in accordance with this Agreement.

"KKR" means Kohlberg Kravis Roberts & Co. L.P., a Delaware limited partnership and includes any successor thereto in accordance with this Agreement.

"KKR Nitro" means KKR Nitro Holdings Limited, a Cayman limited liability company, and includes any successor thereto in accordance with this Agreement.

"L/C Exposure" means, at any time, the sum of (a) the aggregate undrawn face amount of all outstanding Letters of Credit and (b) the aggregate amount of unreimbursed L/C Payments under all outstanding Letters of Credit (or, if applicable with respect to clauses (a) and (b), the Dollar Equivalent thereof).

"L/C Payment" means a payment by an Issuing Lender of a draft or demand drawn under a Letter of Credit.

"L/C Reimbursement Obligation" means the obligation of a Borrower to reimburse an Issuing Lender for an L/C Payment pursuant to Section 2.02(d)(ii).

"L/C Related Documents" has the meaning specified in Section 2.02(c)(i).

"Laws" means, collectively, all 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, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case, whether or not having the force of law.

"Lead Arranger" means MHCB, in its capacity as sole lead arranger and sole bookrunner.

"Lender" means each bank or other financial institution listed on the signature pages hereof and each Person that shall become a party hereto pursuant to 9.06.

"Letter of Credit" has the meaning specified in Section 2.02(a)(i).

"Letter of Credit Facility Amount" means the lesser of (a) \$0 and (b) the Aggregate Facility Amount.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, collateral assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Loan” has the meaning specified in Section 2.01(a)(i).

“Loan Documents” means, collectively, this Agreement, the Notes, the Guarantee and Security Agreement and the Intercreditor Agreement.

“Local Time” means (a) with respect to any Loan denominated or any payment to be made in Dollars, New York time, and (b) with respect to any Term Benchmark Loan or RFR Loan denominated or any payment to be made in an Alternate Currency, the local time in the Principal Financial Center for such Alternate Currency.

“London Banking Day” means any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London.

“Majority Lenders” means, at any time, (a) Lenders holding more than 50% of the Commitments, or (b) if the Commitments have terminated or expired, Lenders having collectively more than 50% of the sum of (i) aggregate amount of the unpaid principal amount of the Loans and (ii) L/C Exposure (computed at any time, in the case of Loans and L/C Exposure denominated in an Alternate Currency, as the Dollar Equivalent thereof as determined by the Administrative Agent); provided that the unused Commitment of, and the portion of the Total Credit Exposure held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Majority Lenders.

“Material Adverse Effect” means a material adverse effect on (a) the business, financial condition, properties or operations of KCMH and its Subsidiaries taken as a whole, (b) the ability of any Obligor to perform any of its material obligations under any Loan Document or (c) the material rights and remedies of, or benefits available, to the Administrative Agent or the Lenders under any Loan Document.

“Material Foreign Subsidiary” means any Foreign Subsidiary (inclusive of its Subsidiaries) that, as of the last day of the fiscal quarter of KCMH most recently ended for which financial statements have been delivered pursuant to Section 6.01(a)(i) or (ii), (a) generated over 25% of consolidated revenues of KCMH and its Subsidiaries for the period of two years ended at the end of such fiscal quarter or (b) to which more than \$^[**] of the Aggregate Facility Amount has been funded as of such date and has been funded for the period of six months immediately preceding such date.

“Material Indebtedness” means Indebtedness of the type described in clause (a) of the definition thereof issued or incurred under any agreement or instrument in an aggregate outstanding principal amount of \$^[**] or more.

“Material Subsidiary” means any Subsidiary that constitutes a “significant subsidiary” as defined under Regulation S-X promulgated by the SEC, as in effect from time to time; provided that each of KCM U.S. and KCM U.K. shall be a Material Subsidiary.

“MHCB” means Mizuho Bank, Ltd. or any successor thereto.

*[**]=Certain information contained in this document, marked by “[**]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

"Moody's" means Moody's Investors Service, Inc. or any successor thereto.

"Multiemployer Plan" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-U.S. Lender" has the meaning specified in Section 3.11(e).

"Note" has the meaning specified in Section 2.01(e).

"Notice of Borrowing" has the meaning specified in Section 2.01(b)(ii).

"Notice of Issuance" has the meaning specified in Section 2.02(c)(i).

"Obligations" means (a) all obligations of the Borrowers under the Loan Documents to pay the principal of and interest on the Loans and the L/C Reimbursement Obligations and all fees, premiums, costs, expenses, indemnification payments and other amounts or obligations whatsoever, whether direct or indirect, absolute or contingent, now or hereafter from time to time owing to the Secured Creditors arising under, out of, or in connection with the Loan Documents and all obligations of the Borrowers to any Lender (or any Affiliate thereof) under any Hedging Agreement and (b) in the case of each of the foregoing, including all interest thereon and expenses related thereto, including any interest or expenses accruing or arising after the commencement of any case with respect to any Obligor under the United States Bankruptcy Code or any other bankruptcy or insolvency law (whether or not such interest or expenses are allowed or allowable as a claim in whole or in part in such case).

"Obligors" means, collectively, the Borrowers and the Guarantors.

"Other Taxes" means 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, except any such taxes imposed with respect to an assignment.

"Participant" has the meaning specified in Section 9.06(d).

"Participant Register" has the meaning specified in Section 9.06(d).

"Patriot Act" has the meaning specified in Section 9.15.

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in Section 4002 of ERISA and any successor entity performing similar functions.

"Permitted Liens" means:

(a) Liens for taxes, assessments or governmental charges or claims not yet overdue for a period of more than 30 days or that are being contested in good faith and by appropriate proceedings for which appropriate reserves have been established to the extent required by and in accordance with GAAP, or for property taxes on property that the Borrower or one of its Subsidiaries has determined to abandon if the sole recourse for such tax, assessment, charge or claim is to such property;

(b) Liens in respect of property or assets of KCMH or any of its Subsidiaries imposed by law, such as carriers', warehousemen's and mechanics' Liens and other similar Liens arising in the ordinary course of business, in each case so long as such Liens arise in the ordinary course of business and do not individually or in the aggregate have a Material Adverse Effect;

(c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under 7.01(j);

(d) Liens incurred or deposits made in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business;

(e) ground leases in respect of real property on which facilities owned or leased by the Borrower or any of its Subsidiaries are located;

(f) easements, rights-of-way, restrictions, minor defects or irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business of KCMH and its Subsidiaries, taken as a whole;

(g) any interest or title of a lessor or secured by a lessor's interest under any lease permitted by this Agreement;

(h) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(i) leases, licenses, subleases or sublicenses granted to others not interfering in any material respect with the business of KCMH and its Subsidiaries, taken as a whole;

(j) Liens arising from precautionary UCC financing statement or similar filings made in respect of operating leases entered into by the Borrower or any of its Subsidiaries;

(k) Liens created in the ordinary course of business in favor of banks and other financial institutions over credit balances of any bank accounts, brokerage accounts or commodities accounts of KCMH and its Subsidiaries held at such banks or financial institutions, including any accounts maintained with any clearing or settlement bank or other financial institution; and

(l) any zoning or similar law or right reserved to or vested in any Governmental Authority to control or regulate the use of any real property that does not materially interfere with the ordinary conduct of the business of KCMH and its Subsidiaries, taken as a whole.

"Permitted Subordinated Debt" shall mean senior subordinated notes, or other senior subordinated Indebtedness, issued by a Borrower or any Guarantor, (a) the terms of which (i) do not provide for any scheduled repayment, mandatory redemption or sinking fund obligation prior to a date 91 days after Commitment Termination Date (other than customary offers to purchase upon a change of control, asset sale or event of loss and customary acceleration rights after an event of default) and (ii) provide for customary subordination to the obligations of the Obligor under the Loan Documents, (b) the covenants, events of default, guarantees, collateral and other terms of which (other than interest rate and redemption premiums), taken as a whole, are not more restrictive to KCMH and its Subsidiaries than those herein; provided that a certificate of a Financial Officer of KCMH is delivered to the Administrative Agent at least seven Business Days (or such shorter period as the Administrative Agent may reasonably agree) prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that KCMH has determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies KCMH within such period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees), (c) of which no Subsidiary of KCMH (other than a Guarantor) is an obligor and (d) after giving pro forma effect to the issuance thereof, KCMH shall be in compliance with the financial covenant set forth in Section 6.03.

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

"Plan" means any employee pension benefit 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, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Pledged Equity" has the meaning specified in the Guarantee and Security Agreement.

"Principal Financial Center" means, for any Currency, the principal financial center in the country of issue of such Currency, as reasonably determined by the Administrative Agent.

"Property" of any Person means any property or assets, or interest therein, of such Person.

"Reference Time" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is Term SOFR, 5:00 a.m. (New York time) on the day that is two Business Days preceding the date of such setting, (2) if such Benchmark is EURIBOR Rate, 11:00 a.m. Brussels time two TARGET Days preceding the date of such setting, (3) if such Benchmark is Daily Simple RFR, then four Business Days prior to such setting, or (4) if such Benchmark is none of Term SOFR, the EURIBOR Rate or Daily Simple RFR, the time determined by the Administrative Agent in its reasonable discretion.

"Register" has the meaning specified in Section 9.06(c).

"Regulations T, U and X" means, respectively, Regulations T, U and X of the Board of Governors of the Federal Reserve System (or any successor), as from time to time amended, modified or supplemented.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Relevant Governmental Body" means (i) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, (ii) with respect to a Benchmark Replacement in respect of RFR Loans denominated in Sterling, the Bank of England, or a committee officially endorsed or convened by the Bank of England or, in each case, any successor thereto, or (iii) with respect to a Benchmark Replacement in respect of Loans denominated in an Alternate Currency (other than Sterling), (a) the central bank for such Alternate Currency in which such Benchmark is denominated or any central bank or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), (b) any working group or committee officially endorsed or convened by (1) the central bank for such Alternate Currency in which such Benchmark is denominated, (2) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark or (B) the administrator of such Benchmark, (3) a group of those central banks or other supervisors, (4) the Financial Stability Board or any part thereof, (c) an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), (d) a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or (e) a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component).

"Relevant Rate" means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, Term SOFR, (ii) with respect to any Term Benchmark Borrowing denominated in Euros, the EURIBOR Rate or (iii) with respect to any Borrowing denominated in Sterling (or, subject to Section 3.04(c) Dollars), the applicable Daily Simple RFR, as applicable.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of any Person, 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 such capital stock or other Equity Interest, or on account of any return of capital to any Person’s stockholders, partners or members (or the equivalent Person thereof).

“RFR” means, for any RFR Loan denominated in (a) Dollars, SOFR, and (b) Sterling, SONIA.

“RFR Borrowing” means, as to any Borrowing, the RFR Loans comprising such Borrowing.

“RFR Business Day” means, for any Loan denominated in (a) Sterling, any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which banks are closed for general business in London and (b) Dollars, a U.S. Government Securities Business Day.

“RFR Interest Day” has the meaning specified in the definition of “Daily Simple RFR”.

“RFR Loan” means a Loan that bears interest at a rate based on the Daily Simple RFR.

“Rule 15c3-1” means Rule 15c3-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act (17 CFR 240, 15c3-1), as from time to time amended, modified or supplemented, or such other rule or regulation of the SEC which replaces Rule 15c3-1.

“S&P” means Standard & Poor’s Rating Services or any successor thereto.

“Screen Rate” means (i) with respect to any Term Benchmark 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, as applicable, as applicable.

“Secured Creditors” means, collectively, the Lenders (including each Issuing Lender) and the Administrative Agent, any other holder from time to time of any of the Obligations and, in each case, their respective successors and assigns.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to the principal functions thereof.

“Self Regulatory Organization” has the meaning assigned to such term in Section 3(a)(26) of the Exchange Act.

“SFC” means the Securities and Futures Commission of Hong Kong.

“SFO” means the Securities and Futures Ordinance (Cap. 571) of the laws of Hong Kong.

“SIPA” means the Securities Investor Protection Act of 1970, as from time to time amended, modified or supplemented.

“SIPC” means the Securities Investor Protection Corporation established pursuant to SIPA or any other corporation succeeding to the principal functions thereof.

“SOFR” means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

“SOFR Administrator” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Administrator’s Website” means the website of the Federal Reserve Bank of New York, 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.

“Solvent” and “Solvency” mean, with respect to any Person, that as of the Closing Date, (a) (i) the sum of such Person’s debts (including contingent liabilities) does not exceed the present fair saleable value of such Person’s present assets; (ii) such Person’s capital is not unreasonably small in relation to its business as contemplated on the Closing Date; and (iii) such Person has not incurred and does not intend to incur, or believe that it will incur, debts including current obligations beyond its ability to pay such debts as they become due (whether at maturity or otherwise); and (b) such Person is “solvent” within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, 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).

“SONIA” means, with respect to any Business Day, a rate per annum equal to the Sterling Overnight Index Average for such Business Day published by the SONIA Administrator on the SONIA Administrator’s Website on the immediately succeeding Business Day.

“SONIA Administrator” means the Bank of England (or any successor administrator of the Sterling Overnight Index Average).

“SONIA Administrator’s Website” means the Bank of England’s website, currently at <http://www.bankofengland.co.uk>, or any successor source for the Sterling

Overnight Index Average identified as such by the SONIA Administrator from time to time.

“SONIA Rate” when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, which are bearing interest at a rate determined by reference to the Daily Simple RFR for Loans denominated in Sterling.

“Sterling” means the lawful currency of the United Kingdom.

“Sterling RFR Determination Day” has the meaning specified in the definition of “Daily Simple RFR”.

“Subordinated Indebtedness” means any Permitted Subordinated Debt or any other Indebtedness the terms of which provide for customary subordination in right of payment to the obligations of a Borrower or any of its Subsidiaries, as applicable, under this Agreement and the other Loan Documents.

“Subsidiary” means, at any time, any corporation, partnership, limited liability company or other entity of which at least a majority of the Voting Shares are at the time directly or indirectly owned or controlled by KCMH or one or more Subsidiaries of KCMH; provided that no Designated Entity shall be a Subsidiary.

“Support Payment” has the meaning specified in Section 2.06(a).

“Taxes” means all present and future taxes, duties, levies, imposts, deductions, charges or withholdings or similar charges, with respect to any amount payable on or in respect of any Loan Document, Loans, Notes or Letters of Credit, and all interest, penalties and similar amounts with respect thereto, now or thereafter imposed, assessed, levied or collected by any jurisdiction from which any amount payable under the Loan Documents is paid, or any political subdivision or taxing authority thereof or therein, or any organization or federation of which any of the foregoing may be a member or associated.

“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.

“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 Term SOFR (other than pursuant to clause (c) of the definition of “ABR”) or the EURIBOR Rate.

“Term SOFR” means,

(a) for any calculation with respect to a Term Benchmark Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Determination Day; and

(b) for any calculation with respect to an ABR Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “ABR Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any ABR Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such ABR Term SOFR Determination Day.

provided, further, that if Term SOFR determined as provided above (including pursuant to the provision under clause (a) or clause (b) above) shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor,

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Total Credit Exposure” means, at any time, the sum of (a) the aggregate outstanding principal amount of the Loans (being the Dollar Equivalent thereof in the case of Loans denominated in an Alternate Currency) plus (b) the aggregate outstanding L/C Exposure.

"Total Debt" means, at any date, (a) all Indebtedness of the types described in clause (a), clause (c) (but, in the case of clause (c), only to the extent of any unreimbursed drawings under any letter of credit) and clause (e) of the definition thereof actually owing by KCMH and/or its Subsidiaries on such date to the extent appearing on the consolidated balance sheet of KCMH determined in accordance with GAAP (provided that the amount of any Finance Lease Obligations or any such Indebtedness issued at a discount to its face value shall be determined in accordance with GAAP) minus (b) the aggregate cash and Cash Equivalents included on the consolidated balance sheet of KCMH as at such date to the extent the use thereof for application to the payment of Indebtedness is not prohibited by law or any contract to which KCMH or any Subsidiary is a party; provided that for the purposes of this definition, Indebtedness shall not include (i) any Finance Subsidiary Debt (unless such Indebtedness is incurred by a Finance Subsidiary that is also a Borrower under this Agreement), (ii) any liabilities includable solely based on the application of ASC 810 or ASC 860 and (iii) any Indebtedness of any Designated Entity.

"Total Equity" means, as of any date of determination, (a) KCMH's consolidated partners' capital (or stockholders' equity, as the case may be) measured on a GAAP basis, minus (b) the sum of (i) any declared but unpaid distribution or dividend to KCMH's general or limited partners (or any other equity holders) and (ii) any loans or advances made to KCMH's general or limited partners (or any other equity holders); provided that Total Equity shall not include KCMH's partners' capital (or stockholders' equity, as the case may be) attributable to any Designated Entity and, in the event all or a substantial portion of the equity in a Finance Subsidiary is pledged to a third party, such Finance Subsidiary.

"Type" refers to whether a Loan is an ABR Loan, a Term Benchmark Loan or a RFR Loan.

"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.

"UK Financial Institution" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"UK Resolution Authority" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"United States" or "U.S." means the United States of America.

"U.S. Government Securities Business Day" means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"Voting Shares" means, with respect to any Person, such Person's Equity Interests having the right to vote for the election of directors, or other individuals performing similar functions, of such Person under ordinary circumstances.

"Wholly-Owned Subsidiary" means, with respect to any Person, any Subsidiary of which all of the Equity Interests (other than, in the case of a corporation, directors' qualifying shares) are directly or indirectly owned or controlled by such Person or one or more Wholly-Owned Subsidiaries of such Person or by such Person and one or more Wholly-Owned Subsidiaries of such Person.

"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 Part I of Subtitle E of Title IV of ERISA.

"Write-Down and Conversion Powers" means, (a) 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, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

SECTION 1.02. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" mean "to but excluding". The words "include", "includes" and "including" shall be deemed in each case 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 herein shall be construed in each case as referring to such agreement, instrument or other document as from time to time amended, modified or supplemented, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or

modifications set forth herein), (b) any reference herein to any Person shall be construed in each case to include such Person's successors and assigns, (c) the words "herein", "hereof" and "hereunder", and words of similar import shall be construed in each case to refer to this Agreement in its entirety and not to any particular provision hereof, and (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement. For the avoidance of doubt, references in Articles VIII and IX to the Lenders shall include in each case the Issuing Lender, unless the context otherwise requires. For the purposes of Section 2.05 only, the term "Borrower" or "Borrowers" shall exclude any Broker-Dealer Subsidiary.

SECTION 1.03. Accounting Terms; GAAP; Calculation of Debt to Equity Ratio

(a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that if the Borrower notifies the Administrative Agent that it requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

(b) Calculation of the Debt to Equity Ratio shall be based on relevant information in the financial statements and asset schedules delivered pursuant to Sections 6.01(a)(i), (ii) and (vi) giving pro forma effect to such information where appropriate; provided that the amount of Total Debt shall be the amount outstanding as of the date of determination after giving effect to the incurrence of any Indebtedness on such date of determination.

SECTION 1.04. Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

SECTION 1.05. Interest Rates. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or with respect to any alternative, successor or replacement rate thereof (including any Benchmark Replacement), or any calculation, component definition thereof or rate referenced in the definition thereof, including, without limitation, (i) any such alternative, successor or replacement rate (including any Benchmark Replacement) implemented pursuant to Section 3.04 upon the occurrence of a Benchmark Transition Event, and (ii) the effect, implementation or composition of any

Benchmark Replacement Conforming Changes pursuant to Section 3.04(c), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or have the same volume or liquidity as did ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark prior to its discontinuance or unavailability. In addition, the discontinuation of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark and any alternative, successor or replacement reference rate may result in a mismatch between the reference rate referenced in this Agreement and your other financial instruments, including potentially those that are intended as hedges. The Administrative Agent and its Affiliates and/or other related entities may engage in transactions that affect the calculation of ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or any alternative, successor or replacement rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, with all determinations of such ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or such alternative, successor or replacement rate by the Administrative Agent to be conclusive, absent manifest error. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain ABR, Term SOFR Reference Rate, Term SOFR, EURIBOR Rate, Daily Simple RFR or any Benchmark or any such alternative, successor or replacement rate, in each case pursuant to the terms of this Agreement (as amended, amended and restated, supplemented or otherwise modified from time to time), and shall have no liability to any Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE II

THE COMMITMENTS

SECTION 2.01. The Loans.

(a) (i) Each Lender severally agrees, on and subject to the terms and conditions of this Agreement, to make loans to the Borrowers under this Section 2.01(a)(i) (each, a "Loan") from time to time on any Business Day during the Availability Period, in an aggregate principal amount at any one time outstanding up to but not exceeding the Commitment of such Lender and, as to all Lenders and all Borrowers, in an aggregate principal amount at any one time outstanding up to but not exceeding the Aggregate Borrowing Availability (or the Alternate Currency Equivalent thereof).

(ii) ABR Loans shall be denominated in Dollars, Term Benchmark Loans may be denominated in Dollars or Euros, and RFR Loans shall be denominated in Sterling (or subject to a Benchmark Replacement, Dollars).

(iii) Anything in this Agreement to the contrary notwithstanding, the Total Credit Exposure shall not at any time exceed the then Aggregate Facility Amount.

(iv) Within such limits, the Borrowers may from time to time borrow under this Section 2.01, prepay Loans in whole or in part pursuant to Section 3.06(a) and reborrow under this Section 2.01.

(v) The Borrowers shall be co-borrowers with respect to each Borrowing, and shall be jointly and severally liable for all obligations and liabilities with respect thereto in accordance with Sections 2.05 and 2.06.

(b) Borrowing Procedure. (i) Each Borrowing shall be in a minimum amount of \$5,000,000 in the case of a Borrowing of Term Benchmark Loans and RFR Loans, or \$1,000,000, in the case of a Borrowing of ABR Loans, or in each case an integral multiple of \$1,000,000 in excess thereof (or, in the case of a Borrowing denominated in an Alternate Currency, the Alternate Currency Equivalent thereof, rounded to the nearest 1,000 units of such Alternate Currency), and shall be made on notice by the requesting Borrower to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of such Borrowing in the case of a Borrowing consisting of Term Benchmark Loans or RFR Loans or not later than 11:00 a.m. (New York time) on the date of such Borrowing in the case of a Borrowing consisting of ABR Loans, and the Administrative Agent shall give each Lender prompt notice thereof.

(ii) Each such notice of a Borrowing (a "Notice of Borrowing") shall be irrevocable and binding on the Borrowers and shall be in substantially the form of Exhibit C, specifying therein the requested (1) date of such Borrowing (which shall be a Business Day), (2) Type of Loans comprising such Borrowing, (3) aggregate amount of such Borrowing, stated in Dollars, and the Currency thereof and (4) in the case of a Borrowing of Term Benchmark Loans, initial Interest Period for such Loans.

(iii) Each Lender shall, before 1:00 p.m. (New York time) on the date of such Borrowing, make available for the account of its Applicable Lending Office to the Administrative Agent at the Administrative Agent's Account, in same day funds, such Lender's ratable portion of such Borrowing.

(iv) After the Administrative Agent's receipt of such funds, and subject to the satisfaction of the applicable conditions set forth in Article IV, the Administrative Agent will make such funds available to the requesting Borrower by promptly crediting the amounts so received, in like funds, to such account of such Borrower as the Administrative Agent and such Borrower may agree.

(v) If the requesting Borrower fails to specify a Type of Loan in a Notice of Borrowing, then the applicable Loans shall be made as ABR Loans. If the requesting Borrower fails to provide a timely notice of Conversion or Continuation with respect to a Borrowing of Term Benchmark Loans, then such Borrower shall be deemed to have

requested a Continuation with respect thereto with an Interest Period of one month. If the requesting Borrower requests a Borrowing of, Conversion to, or Continuation of Term Benchmark Loans in any such Notice of Borrowing, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. If the requesting Borrower requests a Borrowing of, Conversion to, or Continuation of Term Benchmark Loans in any such Notice of Borrowing, but fails to specify the Currency thereof, it will be deemed to have specified such Loans in Dollars.

(vi) After giving effect to all Borrowings, all Conversions and all Continuations, there shall not be more than 15 Interest Periods in effect.

For the avoidance of doubt, in no event shall any Borrower be permitted to request a Daily Simple RFR Loan denominated in Dollars until after the occurrence of a Benchmark Replacement pursuant to clause (1) of the definition thereof in accordance with Section 3.04(c).

(c) Types of Loans. Each Borrowing and each Conversion or Continuation thereof shall consist of Loans of the same Type (and, if such Loans are Term Benchmark Loans, having the same Interest Period) made, Continued or Converted on the same day by the Lenders ratably according to their Commitment Percentages.

(d) Accounts. (i) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(ii) The Administrative Agent shall maintain accounts in which it shall record (x) the amount of each Loan, the Type thereof and the Interest Period applicable thereto, (y) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (z) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(iii) The entries made in the accounts maintained pursuant to this clause (d) shall be prima facie evidence of the existence and amounts of the obligations recorded therein 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 made to any Borrower or make payments for other obligations (including L/C Reimbursement Obligations) in accordance with the terms of this Agreement.

(e) Notes. Any Lender may, through the Administrative Agent, request that the Loans to be made by it be evidenced by a promissory note of the Borrowers. In such event, the Borrowers shall prepare, execute and deliver to such Lender a joint and several promissory note payable to such Lender (or its registered assigns), substantially in the form of Exhibit A (each, a "Note"), in the amount of the Commitment of such Lender, dated the Closing Date and otherwise appropriately completed.

(a) Letters of Credit. (i) Each Issuing Lender agrees, on and subject to the terms and conditions of this Agreement, to issue one or more letters of credit (each, a "Letter of Credit") for the account of a Borrower from time to time on any Business Day during the period from the Closing Date until the date ten Business Days before the Commitment Termination Date, provided, that the total L/C Exposure with respect to Letters of Credit may not at any time exceed the Letter of Credit Facility Amount.

(ii) Letters of Credit may be denominated in Dollars or any Alternate Currency, as requested in writing by the Borrower.

(iii) Anything in this Agreement to the contrary notwithstanding, the issuance of Letters of Credit shall be subject to the limitations set forth in Section 2.01(a)(iii).

(iv) Within the foregoing limits, and subject to the terms and conditions hereof, a Borrower's ability to obtain Letters of Credit shall be revolving, and accordingly a Borrower may, during the period referred to in clause (i) above, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(v) The Borrowers shall be co-obligors with respect to each Letter of Credit, and shall be jointly and severally liable for all obligations and liabilities with respect thereto in accordance with Sections 2.05 and 2.06.

(b) Terms: Issuance. (i) Each Letter of Credit shall be in a form reasonably satisfactory to the relevant Issuing Lender and have a stated expiration date that is no later than the earlier of (x) one year after its date of issuance and (y) five Business Days prior to the Commitment Termination Date; provided that a Letter of Credit with a one-year tenor may provide for the renewal thereof for additional one-year periods (which shall in no event extend beyond a date five Business Days prior to the Commitment Termination Date (except that one or more Letters of Credit may expire up to one year after the Commitment Termination Date if each such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the Borrowers, the relevant Issuing Lender and the Administrative Agent)).

(ii) An Issuing Lender shall be under no obligation to issue any Letter of Credit if (A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Lender from issuing such Letter of Credit, or any law applicable to such Issuing Lender or any directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Issuing Lender shall prohibit, or direct that such Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Lender with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Lender is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such Issuing Lender any unreimbursed loss, cost or expense which was not applicable on the Closing Date (for which such Issuing Lender is not otherwise compensated hereunder),

or (B) the issuance of such Letter of Credit would violate any laws binding upon such Issuing Lender.

(c) Issuance Procedure. (i) Each Letter of Credit shall be issued upon notice, given not later than 11:00 a.m. (New York time) on the third Business Day prior to the proposed issuance date of such Letter of Credit, by the requesting Borrower to the relevant Issuing Lender (or such shorter notice as shall be acceptable to such Issuing Lender), with a copy to the Administrative Agent, and the Administrative Agent shall give to each Lender prompt notice thereof by telecopier or email. Each such notice from the requesting Borrower (a "Notice of Issuance") shall be by telecopier or email, confirmed promptly by hard copy, specifying therein the Issuing Lender and the requested date of issuance (which shall be a Business Day) of such Letter of Credit, its face amount and expiration date and the name and address of the beneficiary thereof, and shall attach the proposed form thereof (or such other information as shall be necessary to prepare such Letter of Credit). If requested by the applicable Issuing Lender, the requesting Borrower shall supply such application and agreement for letter of credit, in the form reasonably satisfactory to the relevant Issuing Lender, as the relevant Issuing Lender may require in connection with such requested Letter of Credit ("L/C Related Documents") along with such other information reasonably related to the requested Letter of Credit.

(ii) If the proposed Letter of Credit complies with the requirements of this Section 2.02, such Issuing Lender will, unless the Issuing Lender has received written notice from the Administrative Agent, that one or more of the applicable conditions set forth in Article IV shall not be satisfied, make such Letter of Credit available to the requesting Borrower as agreed with the requesting Borrower in connection with such issuance. In the event and to the extent that the provisions of any L/C Related Documents shall conflict with this Agreement, the provisions of this Agreement shall govern.

(iii) Each Issuing Lender shall furnish (A) upon request of the Administrative Agent, copies of the Letters of Credit issued by it hereunder, and (B) to the Administrative Agent on the first Business Day of each fiscal quarter a written report setting forth the Letters of Credit issued in Alternate Currencies, solely for purposes of determining the Dollar Equivalent thereof.

(d) Reimbursement; Syndicate Participation. (i) Automatically upon the issuance of each Letter of Credit, each Lender shall be deemed to have automatically and unconditionally acquired a participation therein to the extent of such Lender's Commitment Percentage on the terms provided in this clause (d) without any further action.

(ii) Upon receipt from the beneficiary of any Letter of Credit of any notice of drawing under such Letter of Credit, the relevant Issuing Lender shall notify the requesting Borrower and the Administrative Agent thereof. Not later than 1:00 p.m. (New York time) on the second Business Day following any L/C Payment by an Issuing Lender (the "Honor Date"), the Borrowers jointly and severally agree to reimburse such Issuing Lender directly in an amount equal to the amount of such L/C Payment.

(iii) If the Borrowers fail to so reimburse such Issuing Lender by such date, or if any amounts reimbursed by any Borrower are required to be returned or disgorged for any reason, such Issuing Lender shall promptly notify the Administrative Agent and the Administrative Agent shall promptly notify each Lender of the Honor Date, the unreimbursed amount of such L/C Payment (the "Unreimbursed Amount"), and the amount of such Lender's pro rata share thereof. In such event, such Borrower shall be irrevocably deemed to have requested a Borrowing of ABR Loans to be disbursed on the Honor Date in an aggregate Dollar Equivalent amount equal to the Unreimbursed Amount (without regard to the minimum and multiples specified in Section 2.01(b)); provided that, notwithstanding any other provision to the contrary in this Section 2.02, no such Borrowing of ABR Loans shall be permitted unless the Debt to Equity Ratio shall be less than or equal to [**] to 1.00 after giving pro forma effect to such Borrowing and the conditions specified in clauses (a) and (b) of Section 4.02 have been satisfied on or as of the date of such Borrowing. Any notice given by an Issuing Lender or the Administrative Agent pursuant to this Section 2.02(d)(iii) may be given by telephone if immediately confirmed in writing; provided, that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(iv) Subject to the proviso in Section 2.02(d)(iii), each Lender (including any Lender acting as an Issuing Lender) unconditionally agrees upon any notice pursuant to Section 2.02(d)(iii) to make funds available to the Administrative Agent for the account of the relevant Issuing Lender at the Administrative Agent's Account in an amount equal to its Commitment Percentage of the unpaid L/C Reimbursement Obligation not later than 1:00 p.m. (New York time) on the Business Day specified in such notice by the Administrative Agent, whereupon each Lender that so makes funds available shall be deemed to have made an ABR Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the relevant Issuing Lender.

(v) The Borrowers jointly and severally agree to pay interest on the unreimbursed amount of each L/C Reimbursement Obligation to the relevant Issuing Lender, for each day from the date of the relevant L/C Payment until such L/C Reimbursement Obligation is reimbursed or refinanced in full as herein provided, at the rate provided in Section 3.02(b)(ii).

(vi) Subject to the proviso in Section 2.02(d)(iii), each Lender's obligation to make the payments provided in clause (iv) above to reimburse an Issuing Lender for any L/C Payment shall be absolute and unconditional and shall not be affected by (A) any setoff or counterclaim which such Lender may have against an Issuing Lender, any Borrower or any other Person, (B) the occurrence or continuance of a Default or any reduction or termination of the Commitments or any of them, (C) any of the matters referred to in clause (e) below or (D) any other circumstance whatsoever.

(vii) If any Lender fails timely to make available to the Administrative Agent for the account of an Issuing Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.02, such Issuing Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on

*[**]=Certain information contained in this document, marked by "[**]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such Issuing Lender at a rate per annum equal to the Federal Funds Rate from time to time in effect (without duplication of amounts paid by any Borrower under clause (v) above). A certificate of such Issuing Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vii) shall be conclusive absent manifest error.

(viii) At any time after an Issuing Lender has made an L/C Payment and has received funds from a Lender in respect of such payment in accordance with Section 2.02, if the Administrative Agent receives for the account of such Issuing Lender any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from a Borrower or otherwise, including proceeds of cash collateral applied thereto by the Administrative Agent), the Administrative Agent will promptly distribute to such Lender its pro rata share thereof in the same funds as those received by the Administrative Agent.

(e) Borrowers Obligations Unconditional. The joint and several obligation of the Borrowers to reimburse each Issuing Lender for each L/C Payment under each Letter of Credit shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances whatsoever, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, any Loan Document or any other agreement or instrument relating thereto;

(ii) the existence of any claim, counterclaim, set-off, defense or other right that the Borrower may have at any time against any beneficiary of such Letter of Credit (or any Person for whom any such beneficiary may be acting), such Issuing Lender or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto; or

(iii) any sight draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect, or any loss or delay in the transmission or otherwise of any document required in order to obtain an L/C Payment under such Letter of Credit; or

(iv) any payment by such Issuing Lender under such Letter of Credit against presentation of a sight draft or certificate that does not strictly comply with the terms of such Letter of Credit or any payment made by such Issuing Lender under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any bankruptcy, insolvency, reorganization or similar law.

(f) Issuing Lender Rights. Each Lender and each Borrower agrees that, in making any L/C Payment under a Letter of Credit, the relevant Issuing Lender shall not have any responsibility to obtain any document (other than any sight draft, certificate and other document expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering the same. None of the Issuing Lenders, the Administrative Agent, any of the respective Related Parties, nor any correspondents, participants or assignees of the Issuing Lender shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Majority Lenders, as applicable, (ii) any action taken or omitted in the absence of bad faith, gross negligence or willful misconduct, or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or L/C Related Document. None of the Issuing Lenders, the Administrative Agent, any of the respective Related Parties, nor any correspondents, participants or assignees of the Issuing Lender, shall be liable or responsible for any of the matters described in Section 2.02(e); provided that anything therein or elsewhere in this Agreement to the contrary notwithstanding, the Borrowers may have a claim against an Issuing Lender, and such Issuing Lender may be liable to the Borrowers, to the extent, but only to the extent, of any direct (as opposed to special, indirect, consequential or punitive) damages suffered by the Borrowers which were directly caused by such Issuing Lender's bad faith, willful misconduct or gross negligence as determined by a final and nonappealable ruling of a court of competent jurisdiction. In furtherance and not in limitation of the foregoing, each Issuing Lender may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

(g) Applicability of ISP98. Unless otherwise expressly agreed by an Issuing Lender and the requesting Borrower when a Letter of Credit is issued, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance) shall apply to each Letter of Credit.

SECTION 2.03. Fees.

(a) Agency Fee. The Borrowers jointly and severally agree to pay to the Administrative Agent, for the Administrative Agent's own account, an administrative agency fee at the times and in the amounts as agreed in writing by KCMH and the Administrative Agent.

(b) Facility Fee. The Borrowers jointly and severally agree to pay to the Administrative Agent, for the account of each Lender, a facility fee on the amount of the Commitment of such Lender for each day during the period from the date hereof until the Commitment Termination Date, at the rate per annum described in the fee schedule set forth on Annex A, payable quarterly in arrears on the entire Aggregate Facility Amount (irrespective of usage) on the last Business Day of March, June, September and December of each year, on the Commitment Termination Date and on the date of termination of the Commitments.

(c) Letter of Credit Fees.

(i) The Borrowers jointly and severally agree to pay to the Administrative Agent, for the pro rata account of the Lenders based on their respective Commitment

Percentages, a commission on the average daily undrawn amount of each outstanding Letter of Credit at a rate equal to the Applicable Margin then in effect for Loans (minus the amount of the fronting fee referred to below), payable quarterly in arrears on the last Business Day of March, June, September and December of each year and on the Commitment Termination Date, commencing on the first such date after the date hereof.

(ii) The Borrowers jointly and severally agree to pay to each Issuing Lender, for the sole account of such Issuing Lender, (x) a fronting fee with respect to each Letter of Credit issued by such Issuing Lender, payable quarterly in arrears on the last Business Day of each March, June, September and December and on the Commitment Termination Date, in an amount equal to **[**]**% per annum of the average daily available amount of such Letter of Credit and (y) such customary fees and charges in connection with the issuance or administration of each Letter of Credit issued by such Issuing Lender as may be agreed in writing between KCMH and such Issuing Lender from time to time. The Issuing Lender will notify the Borrowers of any and all such fees and charges payable under this Section.

(d) Other Fees. The Borrower shall pay to the Administrative Agent and the Lead Arranger for their own respective accounts such other fees in the amounts and at the times as may be agreed in writing between KCMH and the Administrative Agent and/or the Lead Arranger.

SECTION 2.04. Changes of Commitments.

(a) Commitment Termination Date. The Commitment of each Lender shall be automatically reduced to zero on the Commitment Termination Date.

(b) Commitment Termination or Reduction. KCMH shall have the right, upon at least three Business Days' notice to the Administrative Agent, to terminate in whole or reduce ratably in part the unused portions of the Commitments; provided, that (i) each partial reduction shall be in a minimum aggregate amount of \$5,000,000 and (ii) after giving effect to such termination or reduction, (A) the Total Credit Exposure does not exceed the Aggregate Facility Amount and (B) the L/C Exposure does not exceed the Letter of Credit Facility Amount. Once terminated or reduced, the Commitments may not be reinstated.

SECTION 2.05. Concerning Joint and Several Liability of the Borrowers.

(a) Each of the Borrowers is accepting joint and several liability hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Lenders and the Administrative Agent under this Agreement, for the mutual benefit, directly and indirectly, of each of the Borrowers and in consideration of the undertakings of each other Borrower to accept joint and several liability for the Obligations.

(b) Each of the Borrowers, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a primary obligor and co-debtor, joint and several liability with each other Borrower, with respect to the payment and performance of all of the Obligations (including, without limitation, any Obligations arising under this Section

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2.05), it being the intention of the parties hereto that all the Obligations shall be the joint and several obligations of each of the Borrowers without preferences or distinction among them.

(c) If and to the extent that any of the Borrowers shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the Obligations in accordance with the terms thereof, then, in each such event, the other Borrowers will make such payment with respect to, or perform, such Obligation.

(d) The Obligations of each of the Borrowers under the provisions of this Section 2.05 constitute the full recourse Obligations of each of the Borrowers enforceable against each such Person to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of this Agreement or the other Loan Documents or any other circumstance whatsoever.

(e) Except as otherwise expressly provided herein, each Borrower hereby waives promptness, diligence, presentment, demand, protest, notice of acceptance of its joint and several liability, notice of any and all advances of the Loans made under this Agreement and any promissory note issued hereunder, notice of occurrence of any Default or Event of Default (except to the extent notice is expressly required to be given pursuant to the terms of this Agreement or any of the other Loan Documents), or of any demand for any payment under this Agreement, notice of any action at any time taken or omitted by the Administrative Agent or the Lenders under or in respect of any of the Obligations hereunder, any requirement of diligence and, generally, all demands, notices and other formalities of every kind in connection with this Agreement and the other Loan Documents. Each Borrower hereby waives all defenses which may be available by virtue of any valuation, stay, moratorium law or other similar law now or hereafter in effect, any right to require the marshaling of assets of the Borrowers and any other entity or Person primarily or secondarily liable with respect to any of the Obligations, and all surety ship defenses generally. Each Borrower hereby assents to, and waives notice of, any extension or postponement of the time for the payment, or place or manner for payment, compromise, refinancing, consolidation or renewals of any of the Obligations hereunder, the acceptance of any partial payment thereon, any waiver, consent or other action or acquiescence by the Administrative Agent and the Lenders at any time or times in respect of any default by any Borrower in the performance or satisfaction of any term, covenant, condition or provision of this Agreement and the other Loan Documents, any and all other indulgences whatsoever by the Administrative Agent and the Lenders in respect of any of the Obligations hereunder, and the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of such Obligations or the addition, substitution or release, in whole or in part, of any Borrower or any other entity or Person primarily or secondarily liable for any Obligation. Each Borrower further agrees that its Obligations shall not be released or discharged, in whole or in part, or otherwise affected by the adequacy of any rights which the Administrative Agent or any Lender may have against any collateral security, guaranty or other means of obtaining repayment of any of the Obligations, the impairment of any collateral security securing or guaranty supporting the Obligations, including, without limitation, the failure to protect or preserve any rights which any Administrative Agent or any Lender may have in such collateral security or guaranty or the substitution, exchange, surrender, release, loss or destruction of any such collateral security, any other act or omission which might in any manner or to any extent vary the risk of such Borrower, or otherwise operate as a release or discharge of such Borrower, all of

which may be done without notice to such Borrower. If for any reason any other Borrower has no legal existence or is under no legal obligation to discharge any of the Obligations, or if any of the Obligations have become irrecoverable from any other Borrower by reason of such other Borrower's insolvency, bankruptcy or reorganization or by other operation of law or for any reason, this Agreement and the other Loan Documents to which it is a party shall nevertheless be binding on such Borrower to the same extent as if such Borrower at all times had been the sole obligor on such Obligations. Without limiting the generality of the foregoing, each Borrower assents to any other action or delay in acting or failure to act on the part of the Administrative Agent and the Lenders, including, without limitation, any failure strictly or diligently to assert any right or to pursue any remedy or to comply fully with applicable laws or regulations thereunder which might, but for the provisions of this Section 2.05, afford grounds for terminating, discharging or relieving such Borrower, in whole or in part, from any of its obligations under this Section 2.05, it being the intention of each Borrower that, so long as any of the Obligations hereunder remain unsatisfied, the obligations of such Borrower under this Section 2.05 shall not be discharged except by performance and then only to the extent of such performance. The Obligations of each Borrower under this Section 2.05 shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, reconstruction or similar proceeding with respect to any reconstruction or similar proceeding with respect to any other Borrower, or any of the Lenders. The joint and several liability of the Borrowers hereunder shall continue in full force and effect notwithstanding any absorption, merger, amalgamation or any other change whatsoever in the name, ownership, membership, constitution or place of formation of any Borrower or the Lenders. Each of the Borrowers acknowledges and confirms that it has itself established its own adequate means of obtaining from the other Borrowers on a continuing basis all information desired by such Borrower concerning the financial condition of the other Borrowers and that each such Borrower will look to the other Borrowers and not to the Administrative Agent or any Lender in order for such Borrower to keep adequately informed of changes in the other Borrowers' respective financial conditions.

(f) The provisions of this Section 2.05 are made for the benefit of the Lenders and the Administrative Agent and their respective permitted successors and assigns, and may be enforced by it or them from time to time against any or all of the Borrowers as often as occasion therefor may arise and without requirement on the part of the Lenders, the Administrative Agent or such successor or assign first to marshal any of its or their claims or to exercise any of its or their rights against the other Borrowers or to exhaust any remedies available to it or them against any other Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this Section 2.05 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied and all Commitments terminated. If at any time, any payment, or any part thereof made in respect of any of the Obligations, is rescinded or must otherwise be restored or returned by any Lender or the Administrative Agent upon the insolvency, bankruptcy or reorganization of any of the Borrowers, or otherwise, the provisions of this Section 2.05 will forthwith be reinstated in effect, as though such payment had not been made.

(g) Each of the Borrowers hereby agrees that it will not enforce any of its rights of reimbursement, contribution, subrogation or the like against any other Borrower with respect to any liability incurred by it hereunder or under any of the other Loan Documents, any

payments made by it to any of the Lenders or the Administrative Agent with respect to any of the Obligations or any collateral security therefor until such time as all of the Obligations have been indefeasibly paid in full in cash and all Commitments terminated. Any claim which any Borrower may have against any other Borrower with respect to any payments to the Lenders or the Administrative Agent hereunder or under any other Loan Documents are hereby expressly made subordinate and junior in right of payment, without limitation as to any increases in the Obligations arising hereunder or thereunder, to the prior payment in full of the Obligations and, in the event of any insolvency, bankruptcy, receivership, liquidation, reorganization or other similar proceeding under the laws of any jurisdiction relating to any Borrower, its debts or its assets, whether voluntary or involuntary, all such Obligations shall be paid in full before any payment or distribution of any character, whether in cash, securities or other property, shall be made to any other Borrower therefor.

(h) Each of the Borrowers hereby agrees that the payment of any amounts due with respect to the indebtedness owing by any Borrower to any other Borrower is hereby subordinated to the prior payment in full in cash of the Obligations and the termination of the all Commitments. Each Borrower hereby agrees that after the occurrence and during the continuance of any Event of Default, unless the Administrative Agent otherwise agrees, such Borrower will not demand, sue for or otherwise attempt to collect any indebtedness of any other Borrower owing to such Borrower until the Obligations shall have been paid in full in cash. If, notwithstanding the foregoing sentence, such Borrower shall collect, enforce or receive any amounts in respect of such indebtedness, such amounts shall be collected, enforced and received by such Borrower as trustee for the Administrative Agent on account of the Obligations and shall be paid promptly after receipt to the Administrative Agent.

SECTION 2.06. Contribution.

(a) To the extent that any Borrower shall make a payment under Section 2.05 of all or any of the Obligations (other than Loans made to that Borrower for which it is primarily liable) (a "Support Payment") that, taking into account all other Support Payments then previously or concurrently made by any other Borrower, exceeds the amount that such Borrower would otherwise have paid if each Borrower had paid the aggregate Obligations satisfied by such Support Payment in the same portion that such Borrower's Allocable Amount (as determined immediately prior to such Support Payment) bore to the aggregate Allocable Amounts of each of the Borrowers as determined immediately prior to the making of such Support Payment, then, following indefeasible payment in full in cash of the Obligations and termination of the Commitments, such Borrower shall be entitled to receive contribution and indemnification payments from, and be reimbursed by, the other Borrowers for the net amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Support Payment.

(b) As of any date of determination, the "Allocable Amount" of any Borrower shall be equal to the maximum amount of the claim that could then be recovered from such Borrower under Section 2.06(a) without rendering such claim voidable or avoidable under Section 548 of Chapter 11 of the Bankruptcy Code or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act or similar statute or common law.

(c) This Section 2.06 is intended only to define the relative rights of Borrowers and nothing set forth in this Section 2.06 is intended or shall impair the obligations of the Borrowers, jointly and severally, to pay any amounts as and when the same shall become due and payable in accordance with the terms of this Agreement, including Section 2.05. Nothing contained in this Section 2.06 shall limit the liability of any Borrower to pay the Loans or L/C Reimbursement Obligations made directly or indirectly to or for the benefit of that Borrower and accrued interest, fees and expenses with respect thereto for which such Borrower shall be primarily liable.

(d) The parties hereto acknowledge that the rights of contribution and indemnification of any Borrower under this Section 2.06 shall constitute assets of such Borrower.

(e) The rights of an indemnifying Borrower against the other Borrowers under this Section 2.06 shall be exercisable upon the full and indefeasible payment of the Obligations and the termination of Commitments.

ARTICLE III

PAYMENTS

SECTION 3.01. Repayment. Each Borrower agrees to repay the full principal amount of each Loan by each Lender, and each such Loan shall mature, on the Commitment Termination Date.

SECTION 3.02. Interest.

(a) Ordinary Interest. The Borrowers jointly and severally agree to pay interest on the unpaid principal amount of each Loan, from the date of such Loan until such principal amount shall be paid in full, at the following rates per annum:

(i) ABR Loans. While such Loan is an ABR Loan, a rate per annum equal to the ABR in effect from time to time plus the Applicable Margin as in effect from time to time, interest under this clause (i) to be payable quarterly in arrears on the last Business Day of each March, June, September and December and on the date such ABR Loan shall be Converted and on the date of each payment of principal thereof.

(ii) Term Benchmark Loans. While such Loan is a Term Benchmark Loan (x) denominated in Dollars, a rate per annum for each such Interest Period for such Loan equal to Term SOFR for such Interest Period plus the Applicable Margin as in effect from time to time and (y) denominated in Euros, a rate per annum for each such Interest Period for such Loan equal to the EURIBOR Rate, and in each case, interest under this clause (ii) to be payable on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on the date three months after the first day of such Interest Period, and on each date on which such Term Benchmark Loan shall be Continued or Converted and on the date of each payment of principal thereof.

(iii) RFR Loans. While such Loan is a RFR Loan, a rate per annum equal to the applicable Daily Simple RFR in effect from time to time plus the Applicable Margin as in effect from time to time, interest under this clause (iii) to be payable quarterly in arrears on the last Business Day of each March, June, September and December and on the date such RFR Loan shall be Converted and on the date of each payment of principal thereof.

(b) Default Interest. Notwithstanding the foregoing, the Borrowers jointly and severally shall pay interest on:

(i) any principal of any Loan that is not paid when due (whether at scheduled maturity or otherwise), payable on demand and in any event on the date such amount shall be paid, at a rate per annum equal at all times to two percent (2%) per annum above the rate per annum required to be paid on such Loan pursuant to said Section 3.02(a)(i) or (a)(ii), as applicable; and

(ii) any interest, fee or other amount thereof (other than any principal) that is not paid when due, from the due date thereof until such amount shall be paid, payable on demand and in any event on the date such amount shall be paid in full, at a rate per annum equal at all times to two percent (2%) per annum above the rate per annum then required to be paid on ABR Loans.

SECTION 3.03. [Reserved]

SECTION 3.04. Interest Rate Determinations.

(a) Notice of Interest Rates. The Administrative Agent shall give prompt notice to KCMH and the Lenders of the applicable interest rates determined by the Administrative Agent.

(b) Inability to Determine Rates. Subject to clause (c) of this Section 3.04, if, the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (x)(i) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining Term SOFR or the EURIBOR Rate (including because the Screen Rate is not available or published on a current basis for such Interest Period), for the applicable Specified Currency and such Interest Period or (ii) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Daily Simple RFR for the applicable Specified Currency or (y) the Majority Lenders notify the Administrative Agent that (i) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, Term SOFR or the EURIBOR Rate, as applicable, for such Loans will not fairly reflect the cost to such Majority Lenders of making, funding or maintaining their respective Term Benchmark Loans or (ii) at any time, the applicable Daily Simple RFR will not fairly reflect the cost to such Majority Lenders of making, funding or maintaining their respective RFR Loans, the Administrative Agent shall so notify KCMH and the Lenders, whereupon the Administrative Agent will promptly so notify the Borrower and each Lender and:

(i) any Notice of Borrowing requesting a Borrowing comprised of Term Benchmark or RFR Loans, as applicable, shall be ineffective;

(ii) each Term Benchmark Loan will automatically, on the last day of the then current Interest Period and each RFR Loan will automatically, on the last day of the then current calendar quarter, as applicable, be Converted into an ABR Loan; and

(iii) the obligation of the Lenders to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended until the Administrative Agent shall notify KCMH and such Lenders that the circumstances causing such suspension no longer exist.

(c) Benchmark Replacement Setting.

(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedging Agreement shall be deemed not to be a "Loan Document" for purposes of this 3.04(c)), 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 relevant then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" 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" 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 by the Administrative Agent to the Lenders and the Borrower 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 Majority Lenders. If the Benchmark Replacement is Daily Simple RFR denominated in Dollars, all interest payments will be payable on a quarterly basis.

(ii) Benchmark Replacement Conforming Changes. In connection with the use, implementation or administration of Term SOFR or the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent, in consultation with the Borrower, 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 (other than as provided in the definition of Benchmark Replacement Conforming Changes).

(iii) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (u) any occurrence of a Benchmark Transition Event, (v) the occurrence of a Benchmark Replacement Date, (w)

the implementation of any Benchmark Replacement, (x) the effectiveness of any Benchmark Replacement Conforming Changes, (y) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (iv) below and (z) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent, the Borrower or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.04(c), 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 3.04(c).

(iv) Unavailability of Tenor of Benchmark. 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), (x) if a then-current Benchmark is a term rate (including the Term SOFR Reference Rate or EURIBOR Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark (1) is no longer representative or will no longer be representative as of a specified date or (2) will cease to be provided by the administrator permanently or indefinitely as of a specified date, then the Administrative Agent may modify the definition of "Interest Period" for any setting of such Benchmark at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (y) if a tenor that was removed pursuant to clause (x) above either (A) is subsequently displayed on a screen or information service for such Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is no longer or will no longer be representative for such Benchmark (including a Benchmark Replacement) or will cease to be provided by the administrator, then the Administrative Agent may modify the definition of "Interest Period" for all settings of such Benchmark at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a borrowing of Term Benchmark Loans or RFR Loans, or Conversion to or Continuation of Term Benchmark Loans to be made, Converted or Continued in the relevant then-current Benchmark during any Benchmark Unavailability Period and, failing that, either (x) the Borrower will be deemed to have Converted any request for a borrowing of Term Benchmark Loans denominated in Dollars into a request for a borrowing of or Conversion to an ABR Borrowing and (y) any request for a borrowing of Term Benchmark Loans or RFR Loans denominated in an Alternate Currency shall be ineffective. Furthermore, if any Term Benchmark Loan or RFR Loan in any Specified Currency is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with

respect to a Relevant Rate applicable to such Term Benchmark or RFR Loan, then until such time as a Benchmark Replacement for such Specified Currency is implemented pursuant to this Section 3.04(c), (x) if such Loan is denominated in Dollars, then (A) 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) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan, (y) if such Loan is denominated in any Alternate Currency, then (A) 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 Alternate 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 Alternate Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Alternate Currency shall, at the Borrower's election prior to such day: (a) be prepaid by the Borrower on such day or solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Alternate 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 and (B) any RFR Loan shall bear interest at the Central Bank Rate for the applicable Alternate 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 Alternate Currency cannot be determined, any outstanding affected RFR Loans denominated in any Alternate Currency, at the Borrower's election, shall either (A) be converted into ABR Loans denominated in Dollars (in an amount equal to the Dollar Equivalent of such Alternate Currency) immediately or (B) be prepaid in on the last day of such calendar quarter.

(d) Certain Mandatory Conversions.

(i) Upon the occurrence and during the continuance of any Event of Default, (x) each Term Benchmark Loan will automatically, on the last day of the then current Interest Period, and each RFR Loan will automatically, on the last day of the then current calendar quarter, as applicable, therefor, be Converted into an ABR Loan and (y) the obligation of the Lenders to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended.

(ii) If this Agreement shall require that any Term Benchmark Loan or RFR Loan be Converted to an ABR Loan and such Term Benchmark Loan or RFR Loan is denominated in an Alternate Currency, the Borrowers jointly and severally shall on the last day of the current Interest Period (in the case of a Term Benchmark Loan) or calendar quarter (in the case of a RFR Loan), as applicable, pay or prepay the full amount of such Term Benchmark Loan or RFR Loan, as applicable (provided, that the foregoing shall not prevent the Borrower from borrowing additional Loans to the extent otherwise permitted hereunder).

SECTION 3.05. Voluntary Conversion or Continuation of Loans.

(a) Conversions. The requesting Borrower may on any Business Day, upon written notice (or telephonic notice promptly confirmed in writing) given to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of the proposed Conversion, Convert all or any portion of the outstanding Loans of one Type comprising part of the same Borrowing into Loans of the other Type; provided that in the case of any such Conversion of a Term Benchmark Loan into an ABR Loan on a day other than the last day of an Interest Period, the Borrowers jointly and severally shall promptly reimburse the Lenders the amounts provided in Section 3.12 relating to such prepayment. Each such notice of a Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the Loans to be Converted, and (z) if such Conversion is into Term Benchmark Loans, the duration of the initial Interest Period for each such Loan. Each notice of Conversion shall be irrevocable and binding on the Borrowers.

(b) Continuations. The requesting Borrower may, on any Business Day, upon written notice (or telephonic notice promptly confirmed in writing) given to the Administrative Agent not later than 11:00 a.m. (New York time) on the third Business Day (or, with respect to Interest Periods other than one, three or six months, fourth Business Day) prior to the date of the proposed Continuation, Continue all or any portion of the outstanding Term Benchmark Loans comprising part of the same Borrowing for one or more Interest Periods. Each such notice of a Continuation shall, within the restrictions specified above, specify (i) the date of such Continuation, (ii) the Term Benchmark Loans to be Continued and (y) the duration of the next such Interest Period for such Term Benchmark Loans subject to such Continuation. Each notice of Continuation shall be irrevocable and binding on the Borrowers.

SECTION 3.06. Prepayments of Loans.

(a) Optional Prepayment. The requesting Borrower may, on notice (given not later than 11:00 a.m. (New York time) on the Business Day of the proposed prepayment of Loans, with respect to ABR Loans, and on the third Business Day prior to the date of prepayment with respect to Term Benchmark Loans or RFR Loans) stating the proposed date and aggregate principal amount (stated in Dollars) of the prepayment, and if such notice is given the Borrowers jointly and severally shall, prepay the outstanding principal amounts of the Loans comprising part of the same Borrowing in whole or ratably in part, together with accrued interest to the date of such prepayment on the principal amount prepaid; provided, however, that (i) each partial prepayment shall be in an aggregate principal amount not less than \$5,000,000 or integral multiples of \$1,000,000 in excess thereof (or, in the case of Loans denominated in an Alternate Currency, the Alternate Currency Equivalent thereof in such Alternate Currency) and (ii) in the case of any such prepayment of a Term Benchmark Loan on a day other than the last day of an Interest Period therefor, the Borrowers jointly and severally shall reimburse the Lenders the amounts provided in Section 3.12 relating to such prepayment.

(b) Alternate Currency Revaluation. If at any time by reason of fluctuations in foreign exchange rates the Total Credit Exposure exceeds 105% of the then aggregate amount

of the Commitments, and the Majority Lenders so request, the Administrative Agent shall use all reasonable efforts to give prompt written notice thereof to KCMH, specifying the amount to be prepaid under this clause (b), and the Borrowers jointly and severally shall prepay Loans or, if no Loans are outstanding, provide cash collateral for or otherwise backstop outstanding Letters of Credit on terms reasonably satisfactory to KCMH, the Issuing Lender and the Administrative Agent, in such aggregate amount as may be required to cause the Total Credit Exposure (treating such cash collateralization or other backstopping for purposes hereof as a reduction in such Total Credit Exposure) to be equal to or less than the aggregate amount of the Commitments, such payments or other measures to be made within 10 Business Days of demand or, in the case of prepayment of Term Benchmark Loans, on the date that is the earlier of (i) the last day of the then current Interest Period therefor and (ii) the last Business Day of the first full calendar month after such revaluation, provided that any such prepayment shall be accompanied by any amounts payable under Section 3.12. The determinations of the Administrative Agent hereunder shall be conclusive and binding on the Borrowers in the absence of manifest error.

SECTION 3.07. Payments; Computations; Etc.

(a) Pro Rata Payments. The Loans comprising each Borrowing shall be made pro rata among the Lenders based on their respective Commitment Percentages. Except as otherwise provided hereunder, all payments of principal of and interest on the Loans shall be made for the pro rata account of the Lenders based on the respective outstanding principal amounts thereof, and all payments of commitment fees and letter of credit commission shall be made for the pro rata account of the Lenders based on their respective Commitment Percentages.

(b) Lenders' Obligations Several. The obligations of the Lenders under this Agreement are several and the failure of any Lender to make any Loan or any payment required to be made by it hereunder shall not relieve any other Lender of its obligations hereunder, nor shall any Lender be responsible for any other Lender's failure to make any Loan required to be made by such other Lender.

(c) Currencies. All payments by the Borrower of or in respect of principal of and interest on and other amounts directly relating to any Loan that are denominated in an Alternate Currency shall be made in such Alternate Currency. All payments of principal and interest on any Loan denominated in Dollars, all payments in respect of any Letter of Credit, and all payments of fees payable pursuant to Section 2.03(c), commitment fees and agency fees hereunder and all other payments by any Borrower provided for in this Agreement, except as provided in the preceding sentence, shall be made in Dollars.

(d) Payments.

(i) The Borrowers shall make each payment hereunder and under each other Loan Document without set-off, counterclaim or deduction of any kind to the Administrative Agent at the Administrative Agent's Account in the Principal Financial Center for the relevant Currency not later than 11:00 a.m. Local Time on the due date of such payment (each such payment made after such time on such date to be deemed to have been made on the next Business Day).

(ii) The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest ratably to the Lenders as provided in Section 3.07(a) for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Assumption and recording of the information contained therein in the Register pursuant to Section 9.06(c), from and after the assignment date set forth therein, the Administrative Agent shall remit all payments hereunder and under the Notes in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Assumption shall make all appropriate adjustments in such payments for periods prior to such assignment date directly between themselves.

(e) Computations. All computations of interest based on the ABR (except any Federal Funds Rate component thereof) or the SONIA Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest is payable. All computations of interest based on the Term SOFR Reference Rate, Daily Simple RFR with respect to Dollars or the Federal Funds Rate and of commitment fee shall be made by the Administrative Agent, and any computations of amounts payable pursuant to Section 3.03, shall be made on the basis of a year of 360 days, for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or other amount is payable. Each determination by the Administrative Agent of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error.

(f) Payment Dates. Whenever any payment hereunder or under the Notes would be due on a day other than a Business Day, such due date shall be extended to the next succeeding Business Day, and any such extension of such due date shall in such case be included in the computation of interest; provided, that if such extension would cause payment of principal or interest in respect of Term Benchmark Loans or RFR Loans to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(g) Presumption by Administrative Agent.

(i) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed time 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 its share available at such time in accordance with Section 2.01(b) and may (but shall not be obligated), in reliance upon such assumption, make available to a 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 (A) the applicable Lender, on one hand, and (B) the Borrowers on a joint and several basis on the other hand, severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to a Borrower to but excluding the date of payment to the Administrative Agent, at (x) in the case of a payment to be made by such Lender, the greater of (I) the Federal Funds Rate

and (II)(a) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (if such Loan is denominated in Dollars), (b) at the overnight London interbank offered rate for the relevant Currency (if such Loan is denominated in an Alternate Currency, other than Sterling) or (c) at SONIA Rate if such Loan is denominated in Sterling and (y) in the case of a payment to be made by a Borrower, the interest rate applicable to ABR Loans. If a 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 such Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by a Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Unless the Administrative Agent shall have received notice from KCMH prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may (but shall not be obligated), in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender 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 (x) the Federal Funds Rate and (y)(i) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (if such Loan is denominated in Dollars), (ii) at the EURIBOR Rate if such Loan is denominated in Euros or (iii) at SONIA Rate if such Loan is denominated in Sterling.

SECTION 3.08. Sharing of Payments, Etc. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, 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 Loans and other amounts owing them, provided, that:

(i) if any such participation is purchased and all or any portion of the related payment is recovered, such participation shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this subsection shall not be construed to apply to (x) any payment made by the Borrowers pursuant to and in accordance with the express terms

of this Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans other than to a Borrower or any Subsidiary thereof (as to which the provisions of this subsection shall apply).

The Borrowers consent to the foregoing and agree, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrowers, jointly and severally, rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrowers in the amount of such participation.

SECTION 3.09. Increased Costs.

(a) Increased Costs. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.03) or the Issuing Lender; or

(ii) impose on any Lender or the Issuing Lender or applicable offshore interbank market for the applicable Alternate Currency any other condition, cost or expense 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 Term Benchmark Loan), or to increase the cost to such Lender or the Issuing Lender of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the Issuing Lender hereunder (whether of principal, interest or any other amount) then, from time to time upon request of such Lender or the Issuing Lender, the Borrowers jointly and severally will pay to such Lender or the Issuing Lender such additional amount or amounts as will compensate such Lender or the Issuing Lender, as the case may be, for such additional costs incurred or reduction suffered. This Section 3.09 shall not apply to Excluded Taxes or any matters covered by Section 3.11 relating to Taxes.

(b) Capital Requirements. If any Lender or the Issuing Lender determines that any Change in Law affecting such Lender or the Issuing Lender or any lending office of such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Lender's capital or on the capital of such Lender's or the Issuing Lender's holding company as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letter of Credit issued by the Issuing Lender, to a level below that which such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Lender's policies and the policies of such Lender's or the Issuing Lender's holding company with respect

to capital adequacy), then from time to time upon request of such Lender or the Issuing Lender, the Borrowers jointly and severally will pay to such Lender or the Issuing Lender, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Lender or such Lender's or the Issuing Lender's holding company for such reduction.

(c) Certificates for Reimbursement. A certificate of any Lender or the Issuing Lender setting forth the amount or amounts and a reasonable basis for the determination thereof necessary to compensate such Lender or the Issuing Lender or its holding company, as the case may be, as specified in clauses (a) or (b) of this Section 3.09 and delivered to KCMH shall be conclusive on all Borrowers absent manifest error. The Borrowers jointly and severally shall pay such Lender or the Issuing Lender, as the case may be, the amount shown as due on any such certificate within 10 Business Days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the Issuing Lender to demand compensation pursuant to this Section 3.09 shall not constitute a waiver of such Lender's or the Issuing Lender's right to demand such compensation, provided, that the Borrowers shall not be required to compensate a Lender or the Issuing Lender pursuant to this Section for any increased costs incurred or reductions suffered more than 180 days prior to the date that such Lender or the Issuing Lender, as the case may be, notifies KCMH of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Lender's intention to claim compensation therefor (except 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).

SECTION 3.10. Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other Governmental Authority asserts that it is unlawful, for such Lender or its Lending Office to perform its obligations hereunder to make or continue Term Benchmark Loans or RFR Loans or to fund or otherwise maintain Term Benchmark Loans or RFR Loans hereunder, (a) the obligation of such Lender to make or Continue, or to Convert Loans into, Term Benchmark Loans or RFR Loans shall be suspended until the Administrative Agent shall notify KCMH and the Lenders that the circumstances causing such suspension no longer exist and (b) each Term Benchmark Loan or RFR Loan of such Lender shall Convert into an ABR Loan at the end of the then current Interest Period for such Term Benchmark Loan, as applicable, if such Lender may lawfully continue to maintain such Term Benchmark Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Term Benchmark Loans.

SECTION 3.11. Taxes.

(a) All payments on account of the principal of and interest on the Loans and the Notes, fees and all other amounts whatsoever payable by the Borrowers under the Loan Documents shall be made free and clear of and without reduction or liability for any Taxes, except as required by applicable law, decree or regulation.

(b) In the event that any Borrower or the Administrative Agent shall be required by applicable law, decree or regulation to deduct or withhold any Tax from any amounts

payable to the Administrative Agent or any Lender on, under or in respect of this Agreement, the Loans or any Loan Document, the Borrowers jointly and severally shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, decree or regulation and, if such Tax is an Indemnified Tax, then the Borrowers jointly and severally shall promptly pay such recipient such additional amounts as may be required, after the deduction or withholding of Indemnified Taxes, to enable such recipient to receive from the Borrowers on the due date thereof an amount equal to the full amount stated to be payable to such recipient.

(c) The Borrowers jointly and severally shall indemnify the Administrative Agent and each Lender (including each Issuing Lender) against, and reimburse them upon demand for, any incremental Taxes, interest or penalties, that they may incur at any time arising out of or in connection with any such failure of the Borrowers to make any payment of Indemnified Taxes when due.

(d) KCMH shall furnish to the Administrative Agent original or certified copies of official tax receipts in respect of each payment of Indemnified Taxes required under this Section 3.11, as soon as practicable after the date such payment is made, and the Borrowers shall promptly furnish to the Administrative Agent at its request or at the request of any Lender (through the Administrative Agent) to KCMH any other information, documents and receipts that the Administrative Agent or such Lender may reasonably require to establish that full and timely payment has been made of all Indemnified Taxes required to be paid under this Section 3.11.

(e)

(i) Each Lender or Participant that is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender") shall deliver to KCMH and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased) two copies of either U.S. Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, Form W-8ECI, Form W-8 IMY, Form W-8 EXP, or, in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a statement substantially in the form of Exhibit E-1, Exhibit E-2, Exhibit E-3 or Exhibit E-4, as applicable, and a Form W-8BEN or W-8BEN-E, as applicable, or any subsequent versions thereof or successors thereto, properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding tax on all payments by the Borrower under this Agreement and the other Loan Documents. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation) and from time to time thereafter upon the reasonable request of KCMH or the Administrative Agent.

(ii) Each Lender that is a "U.S. Person" as defined in Section 7701(a)(30) of the Code shall deliver to KCMH and the Administrative Agent (or, in the case

of a Participant of a Lender, to such Lender) 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 KCMH or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender or Participant, as applicable, is exempt from U.S. Federal backup withholding tax.

(iii) If the Administrative Agent is a "U.S. Person" as defined in Section 7701(a)(30) of the Code, then it shall, on or prior to the date of this Credit Agreement (or, in the case of a successor Administrative Agent, on or before the date on which it becomes the Administrative Agent hereunder), provide the Borrowers with a properly completed and duly executed copy of IRS Form W-9 (or any applicable successor form) confirming that the Administrative Agent is exempt from U.S. federal backup withholding. If the Administrative Agent is not a "U.S. Person" as defined in Section 7701(a)(30) of the Code, then it shall, on or prior to the date of this Credit Agreement (or, in the case of a successor Administrative Agent, on or before the date on which it becomes the Administrative Agent hereunder), provide the Borrowers with, (i) with respect to payments made to the Administrative Agent for its own account, a properly completed and duly executed copy of IRS Form W-8ECI (or other applicable IRS Form W-8), and (ii) with respect to payments made to the Administrative Agent on behalf of the Lenders, a properly completed and duly executed IRS Form W-8IMY confirming that the Administrative Agent agrees (A) to be treated as a "United States person" for U.S. federal withholding Tax purposes and the payments it receives for the account of such Lenders are not effectively connected with the conduct of its trade or business in the United States or (B) is a "Qualified Intermediary" for U.S. federal withholding Tax purposes; provided, in each case, that the Administrative Agent shall not be required to deliver any documentation pursuant to this Section 3.11(e)(iii) that it is not legally eligible to deliver as a result of any change in, or in the interpretation by any Governmental Authority of, any law or the method by which such Administrative Agent must comply therewith occurring after the date hereof (or, in the case of a successor Administrative Agent, occurring after the date on which it becomes the Administrative Agent hereunder). Such Administrative Agent agrees that if such documentation previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or promptly notify the Borrowers in writing of its legal inability to do so.

(f) Each Lender shall deliver to any Borrower and the Administrative Agent at the time or times prescribed by applicable law and at such time or times reasonably requested by such Borrower or the Administrative Agent such documentation prescribed by applicable law and such additional documentation reasonably requested by such Borrower or the Administrative Agent as may be necessary for such Borrower or the Administrative Agent to comply with any obligations of such Borrower or the Administrative Agent, or to determine that such Lender has complied with its obligations or to determine the amount to deduct and withhold from any payment, under FATCA or any similar regime arising as a result of the transactions contemplated under any Loan Document. Solely for purposes of this paragraph (f), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

In addition, each Lender shall deliver such forms promptly upon the written request of KCMH after the obsolescence or invalidity of any form previously delivered by such Lender under this Section 3.11. Each Lender shall promptly notify KCMH at any time it determines that it is no longer in a position to provide any previously delivered certificate to KCMH (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this paragraph, a Lender shall not be required to deliver any form pursuant to this paragraph that such Lender is not legally able to deliver.

(g) A Lender that is entitled to an exemption from or reduction of non-U.S. withholding tax under the law of the jurisdiction in which a Borrower is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to KCMH (with a copy to the Administrative Agent), on or prior to the date on which such Lender becomes a Lender under this Agreement or at the time or times prescribed by applicable law or reasonably requested by KCMH, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate, provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender's judgment such completion, execution or submission would not materially prejudice the legal position of such Lender.

(h) If the Administrative Agent, any Lender or the Issuing Lender determines, in its sole discretion, that it has received a refund or credit (in lieu of such refund) of any Taxes or Other Taxes as to which it has been indemnified by the Borrowers or with respect to which a Borrower has paid additional amounts pursuant to this Section 3.11, it shall pay to such Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Borrower under this Section 3.11 with respect to the Taxes or Other Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses of the Administrative Agent, any Lender or the Issuing Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Borrower, upon the request of the Administrative Agent, any Lender or the Issuing Lender, agrees to repay the amount paid over to such Borrower to the Administrative Agent, any Lender or the Issuing Lender in the event the Administrative Agent, any Lender or the Issuing Lender is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Administrative Agent, any Lender or the Issuing Lender to make available its tax returns or its books or records (or any other information relating to its taxes that it deems confidential) to any Borrower or any other Person.

(i) Notwithstanding anything in this Agreement to the contrary, if pursuant to this Section 3.11 a Borrower is required to pay to or for the account of any Lender any additional amounts, then such Lender shall use commercially reasonable efforts to change the jurisdiction of its Applicable Lending Office if, in the sole and absolute judgment of such Lender, such change (i) would eliminate or reduce any such excess additional amounts and (ii) would not otherwise be materially disadvantageous to such Lender.

SECTION 3.12. Break Funding Payments. The Borrowers jointly and severally agree to indemnify each Lender and to hold each Lender harmless from any loss, cost or expense incurred by such Lender which is in the nature of funding breakage costs or costs of liquidation

or redeployment of deposits or other funds and any other related expense (but excluding loss of margin or other loss of anticipated profit), which such Lender may sustain or incur as a consequence of (a) default by any Borrower in making any Borrowing of Term Benchmark Loans after a Borrower has given a Notice of Borrowing requesting the same in accordance with the provisions of this Agreement (including as a result of any failure to fulfill, on or before the date specified in such Notice of Borrowing, the applicable conditions set forth in Article IV), (b) default by any Borrower in making any prepayment of any Term Benchmark Loan when due after such Borrower has given notice thereof in accordance with this Agreement, (c) the making by any Borrower of a prepayment of any Term Benchmark Loan on a day which is not the last day of an Interest Period with respect thereto, (d) default by any Borrower in payment when due of the principal of or interest on any Term Benchmark Loan, (e) the Conversion or Continuation of any Term Benchmark Loan on a day other than on the last day of an Interest Period with respect thereto, and (f) any assignment such Lender is required to make pursuant to Section 3.13(b) if such Lender holds Term Benchmark Loans at the time of such assignment. A certificate of any Lender setting forth any amount or amounts and a reasonable basis for the determination thereof that such Lender is entitled to receive pursuant to this Section and delivered to KCMH shall be conclusive absent manifest error. The Borrowers jointly and severally shall pay to such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

SECTION 3.13. Mitigation Obligations: Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.09, or requires any Borrower to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.11, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, if, in the sole and absolute judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.09 or 3.11, 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.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.09, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.11, or if any Lender becomes a Defaulting Lender, or if any Lender has failed to consent to a proposed amendment, waiver, discharge or termination that, pursuant to the terms of Section 9.01, requires the consent of all of the Lenders or all of the Lenders affected (and such Lender is an affected Lender) and with respect to which the Majority Lenders shall have granted their consent, then such Borrower may, at the Borrowers' joint and several 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, and consents required by, Section 9.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(i) no Default or Event of Default has occurred and is continuing on and as of the date of such notice and the date of such assignment;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.12) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 3.09 or payments required to be made pursuant to Section 3.11, such assignment will result in a reduction in such compensation or payments thereafter; and

(iv) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling a Borrower to require such assignment and delegation cease to apply. A Lender so replaced shall not be required to pay the processing and recordation fee referred to in Section 9.06(b).

SECTION 3.14. Defaulting Lenders

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Majority Lenders.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.03 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Lender hereunder; *third*, to cash collateralize the Issuing Lenders' L/C Exposure with respect to such Defaulting Lender; *fourth*, as any Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth*, if so determined by the Administrative Agent and KCMH, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) cash collateralize the Issuing Lender's future L/C

Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement; *sixth*, to the payment of any amounts owing to the Lenders or the Issuing Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the Issuing Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to any Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Payments in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Payments owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Payments owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Reimbursement Obligations are held by the Lenders pro rata in accordance with their Commitments without giving effect to Section 3.14(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post cash collateral pursuant to this Section 3.14(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. Each Defaulting Lender shall be entitled to receive the facility fee pursuant to Section 2.03(b) for any period during which that Lender is a Defaulting Lender only to extent allocable to the sum of (1) the outstanding principal amount of the Loans funded by it, and (2) its Commitment Percentage of the stated amount of Letters of Credit for which it has provided cash collateral. Each Defaulting Lender shall be entitled to receive letter of credit fees pursuant to Section 2.03(c) for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Commitment Percentage of the stated amount of Letters of Credit for which it has provided cash collateral pursuant to the terms hereof. With respect to any facility fee or letter of credit fee not required to be paid to any Defaulting Lender pursuant to this Section 3.14(a)(iii), the Borrowers jointly and severally shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in Letters of Credit that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the Issuing Lender the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to the Issuing Lender's L/C Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Participations to Reduce L/C Exposure All or any part of such Defaulting Lender's participation in Letters of Credit shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Commitment Percentages (calculated without regard to such Defaulting Lender's Commitment) but

only to the extent that (x), if requested by the applicable Issuing Lender, the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrowers shall have otherwise notified the Administrative Agent at such time, the Borrowers shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the aggregate of the Total Credit Exposure allocable to any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation

(v) Cash Collateral. If the reallocation described in clause (iv) above cannot, or can only partially, be effected, the Borrowers shall jointly and severally, without prejudice to any right or remedy available to it hereunder or under law, promptly cash collateralize the Issuing Lenders' L/C Exposure.

(b) Defaulting Lender Cure. If KCMH, the Administrative Agent and the Issuing Lender agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any cash collateral), such Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a *pro rata* basis by the Lenders in accordance with their Commitment Percentages (without giving effect to Section 3.14(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) New Letters of Credit. So long as any Lender is a Defaulting Lender, the Issuing Lender shall not be required to issue, extend, renew or increase any Letter of Credit unless it is reasonably satisfied that it will have no L/C Exposure after giving effect thereto.

ARTICLE IV

CONDITIONS PRECEDENT

SECTION 4.01. Closing Conditions. Effectiveness of this Agreement is subject to the satisfaction or waiver of the following conditions precedent:

(a) The Administrative Agent's receipt of the following:

(i) this Agreement, duly executed and delivered by the Borrower and each of the other parties hereto;

(ii) the Guarantee and Security Agreement, duly executed and delivered by the Borrowers as of the Closing Date, together with duly prepared financing statements in form for filing under the applicable UCC in the jurisdiction of formation of each Borrower;

(iii) certified copies of (x) the constitutive documents of each Borrower and (y) resolutions or other authorizing documentation of each Obligor and the General Partner evidencing the taking of all necessary action authorizing and approving the execution, delivery and performance by each Borrower of the Loan Documents to which it is a party;

(iv) a certificate of an officer of each Borrower certifying the names and true signatures of the officers authorized to sign the Loan Documents and any other documents to be delivered hereunder by each Borrower;

(v) the legal opinion of Simpson Thacher & Bartlett LLP, counsel to the Borrowers, in a form reasonably acceptable to the Administrative Agent;

(vi) a certificate of an officer of KCMH, dated the Closing Date, certifying that (a) the representations and warranties contained in Section 5.01 and in the other Loan Documents are true and correct in all material respects on and as of such date as though made on and as of such date and (b) no event has occurred and is continuing on and as of such date which constitutes a Default or an Event of Default;

(vii) a certificate attesting to the Solvency of KCMH and its Subsidiaries, taken as a whole, after giving effect to the effectiveness of this Agreement and any Loans made or Letters of Credit issued or outstanding on the Closing Date; and

(viii) (a) all documentation and other information reasonably requested in writing at least five Business Days prior to the Closing Date in order to allow the Administrative Agent to comply with applicable "know your customer" and anti-money laundering rules and regulations, including without limitation, the Patriot Act and (b) any other such documents in customary form and previously agreed between the parties.

(b) KCMH shall have (a) paid (i) all accrued and unpaid fees and any outstanding and accrued and unpaid principal and interest thereon under the Existing Credit Agreement and (ii) all fees and expenses (including fees, charges and disbursements of counsel invoiced prior to the Closing Date) required to be paid on or prior to the Closing Date to the Administrative Agent or the Lead Arranger in connection with this Agreement and (b) delivered a written notice of termination of the Existing Credit Agreement in form and substance reasonably acceptable to the Administrative Agent.

The Administrative Agent will promptly notify the Lenders of the occurrence of the Closing Date.

SECTION 4.02. Conditions Precedent to Each Borrowing and Issuance. The obligation of each Lender to make a Loan during the Availability Period on the occasion of each Borrowing and of the Issuing Lender to issue each Letter of Credit shall be subject to the conditions precedent that on the date of and after giving effect to such Borrowing or issuance, the Total Credit Exposure shall not exceed the then Aggregate Facility Amount, and that the following statements shall be true:

- (a) the representations and warranties contained in Section 5.01 and in the other Loan Documents are true and correct in all material respects on and as of the date of such Borrowing or issuance as though made on and as of such date, except to the extent such representation or warranty expressly relates to an earlier date, in which case it is true and correct in all material respects on and as of such earlier date;
- (b) no event has occurred and is continuing, or would result from such Borrowing or issuance or from the application of the proceeds from such Borrowing, which constitutes a Default or an Event of Default;
- (c) the Debt to Equity Ratio shall be less than or equal to ~~1.00~~ to 1.00 after giving pro forma effect to such Borrowing or issuance; and
- (d) the Administrative Agent and, if applicable, the Issuing Lender shall have received a request for Borrowing or issuance of Letter of Credit in accordance with the requirements hereof.

Each request for a Borrowing or issuance of a Letter of Credit (other than a notice for Conversion or Continuation of Loans) submitted by a Borrower shall be deemed to be a representation and warranty that the conditions specified in clauses (a), (b) and (c) of this Section 4.02 have been satisfied on and as of the date of such request.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

SECTION 5.01. Representations and Warranties. Each Borrower represents and warrants to the Administrative Agent and the Lenders as follows:

- (a) Organization. Each Borrower is duly organized, validly existing and in good standing as a limited partnership or limited liability company, as applicable, under the laws of Delaware, and each Guarantor and the General Partner is duly organized, validly existing and in good standing (to the extent such concept is recognized under such law) under the laws of its jurisdiction of organization. Each Obligor (i) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (A) own or lease its assets and carry on its business and (B) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (ii) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license;

*[**]=Certain information contained in this document, marked by "[**]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

except in each case referred to in clause (i)(A) or (ii), to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect

(b) Authorization. The execution, delivery and performance by each Borrower of this Agreement and the other Loan Documents are within its powers as set forth in its applicable constituent documents, as the case may be, and have been duly authorized by all necessary action thereunder, and the execution, delivery and performance by each Guarantor of the Guarantee and Security Agreement are within the powers of such Guarantor and have been duly authorized by all necessary action and the execution, delivery and performance by KCMH of the Loan Documents have been duly authorized by all necessary action of the General Partner.

(c) Approvals; No Conflicts; Etc. The execution, delivery and performance by each Obligor of the Loan Documents to which it is a party (i) do not require any consent or approval of, or registration or filing with, any Governmental Authority or Self Regulatory Organization (except for (A) such as have been obtained or made and are in full force and effect in all material respects, (B) filings and recordings in respect of Liens created pursuant to the Guarantee and Security Agreement and (C) such licenses, approvals, authorizations or consents the failure to obtain or make would not reasonably be expected to result in a Material Adverse Effect), (ii) will not violate any applicable Law, regulation or order of any Governmental Authority the violation of which would be reasonably expected to result in a Material Adverse Effect, and (iii) will not violate or constitute an event of default under any credit agreement, loan agreement, note or indenture, or any other material agreement, binding upon it or its Property; and no Default has occurred and is continuing.

(d) Enforceability. Each Obligor has duly executed and delivered each Loan Document to which it is a party and each such Loan Document constitutes the legal, valid and binding obligation of such Obligor enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

(e) No Material Adverse Change. Since December 31, 2023, no event or circumstance has occurred that has had, or would reasonably be expected to have, a Material Adverse Effect.

(f) No Litigation. There are no actions, suits or proceedings by or before any Governmental Authority pending against or, to the knowledge of KCMH, threatened against or affecting it or any of its Subsidiaries that would reasonably be expected to result in a Material Adverse Effect.

(g) Compliance with Laws. Each Obligor is in compliance with all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it or its Property (including, without limitation, the Patriot Act, ERISA, environmental laws and Rule 15c3-1), except where the failure to be in compliance, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(h) Investment Company Status; Margin Regulations. None of the Obligors is required to register under and none of the Obligors is subject to regulation under the Investment

Company Act of 1940, as amended. No Borrower is engaged and no Borrower will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U), or extending credit for the purpose of purchasing or carrying margin stock, in each case in violation of such Regulation U. Each U.S. Broker-Dealer Subsidiary is a broker-dealer subject to Regulation T. Neither the making of any Loan hereunder, nor the use of proceeds thereof, will violate or be inconsistent with the provisions of Regulation T, U or X.

(i) Disclosure. No written report, financial statement, certificate or other written information furnished by or on behalf of it to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in the light of the circumstances under which they were made, not misleading; provided that with respect to projected financial information, it represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time and that actual results may differ materially from such information.

(j) Use of Proceeds. The proceeds of the Loans and Letters of Credit shall be used by KCMH and/or its Subsidiaries to facilitate debt capital markets "fronting" arrangements pursuant to which KCMH or such Subsidiary is acting as the initial purchaser or lender of a debt instrument that has been reserved by KCMH or such Subsidiary for purchase by another Person from whom an order has been received and such arrangement involves terms that are customary in the market for "fronting" transactions.

(k) Guarantee and Security Agreement. The Guarantee and Security Agreement is effective to create in favor of the Administrative Agent, for the benefit of the Secured Creditors, a legal, valid and enforceable security interest in the Collateral described therein and proceeds thereof (except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity). Subject to the Intercreditor Agreement, in the case of the Pledged Equity represented by certificates described in the Guarantee and Security Agreement, when any stock certificates representing such Pledged Equity are delivered to the Administrative Agent (or its designee), and in the case of the other Collateral described in the Guarantee and Security Agreement, when financing statements in appropriate form are duly completed and filed in the offices specified on Annex I to the Guarantee and Security Agreement and such other filings as are specified on Annex I to the Guarantee and Security Agreement have been completed, the Guarantee and Security Agreement shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Obligors in such Collateral and the proceeds thereof, as security for the Obligations (as defined in the Guarantee and Security Agreement), in each case prior and superior in right to any other Person (other than with respect to Liens permitted by this Agreement), in each case to the extent security interests in such Collateral may be perfected by delivery of such certificates representing Pledged Equity or such filings.

(l) Ownership of Property. KCMH and each of its Subsidiaries has good record and marketable title to, or valid leasehold interests in, all property necessary in the

ordinary conduct of its business, except for such defects in title as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(m) Taxes. Except as would not reasonably be expected to have a Material Adverse Effect, KCMH and each of its Subsidiaries have paid and discharged all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, other than those (i) not yet delinquent or (ii) contested in good faith as to which adequate reserves have been provided to the extent required by Law and in accordance with GAAP and which would not reasonably be expected to result in a Material Adverse Effect.

(n) ERISA Matters. (i) No ERISA Event has occurred or is reasonably expected to occur with respect to any Plan and (ii) neither KCMH nor any ERISA Affiliate has incurred or is reasonably expected to incur any Withdrawal Liability to any Multiemployer Plan, which in either case of (i) or (ii) has not been fully satisfied or, with respect to clauses (i) and (ii), except as would not reasonably be expected to result in any Material Adverse Effect.

(o) Subsidiaries. Schedule II is a complete list of Subsidiaries of KCMH as of the Closing Date.

(p) Registered Broker-Dealer; Membership. Each of KCM U.S. and each other U.S. Broker-Dealer Subsidiary is duly registered with the SEC as a broker-dealer and is a member in good standing of FINRA, and each non-U.S. Broker-Dealer Subsidiary is duly registered with, or licensed by, any Governmental Authority that requires registration or licensing and is a member in good standing of any local body similar to FINRA, including, but not limited to, the Financial Services Authority (in the case of KCM U.K.) and the Securities and Futures Commission (in the case of (i) prior to the KCM Asia Reorganization Effective Date, KCM Asia and (ii) after the KCM Asia Reorganization Effective Date, KCM Asia II) to the extent that such membership is required by any Governmental Authority.

(q) SIPC Assessments. No U.S. Broker-Dealer Subsidiary is in arrears with respect to any assessment made upon it by the SIPC, and no non-U.S. Broker Dealer Subsidiary is in arrears with respect to any assessment made upon it by any local body which is similar to the SIPC.

ARTICLE VI

COVENANTS

SECTION 6.01. Affirmative Covenants. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender), KCMH covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a) Reporting Requirements. KCMH will furnish to the Lenders:

(i) within 50 days after the end of each of the first three fiscal quarters, its unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows, in each case as of the end of and for such fiscal quarter, setting forth in each case in comparative form (if applicable) the figures for the corresponding period of the previous fiscal year, certified by a Financial Officer to the effect that such financial statements present fairly in all material respects the financial condition and results of operations of KCMH and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to the absence of (or absence of a requirement to have) footnotes and to year-end adjustments;

(ii) within 100 days after the end of each fiscal year, KCMH's unaudited consolidated balance sheet and related statements of income, stockholders' equity and cash flows as of the end of and for such fiscal year, setting forth in each case in comparative form (if applicable) the figures for the previous fiscal year, certified by a Financial Officer to the effect that such financial statements present fairly in all material respects the financial condition and results of operations of KCMH and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to the absence of (or absence of a requirement to have) footnotes;

(iii) concurrently with any delivery of financial statements under clauses (i) and (ii) above, a certificate of a Financial Officer (x) certifying that no Default has occurred or, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (y) identifying any Subsidiary that has become a Material Foreign Subsidiary during the most recently ended fiscal quarter and (z) setting forth calculations demonstrating in reasonable detail compliance with Section 6.03;

(iv) concurrently with the delivery of financial statements under clause (ii) above, an operating income budget of KCMH in reasonable detail for the current fiscal year as customarily prepared by management of KCMH for their internal use, setting forth the principal assumptions upon which such budget is based;

(v) as soon as available, but in any event within five Business Days of delivery to any Governmental Authority or Self Regulatory Organization, the audited annual financial statements of any Broker-Dealer Subsidiary required to be furnished to such Governmental Authority or Self Regulatory Organization; and

(vi) promptly upon request by the Administrative Agent on behalf of the Majority Lenders, such other information regarding the business, operations and financial condition of any Obligor as such Lender may reasonably request (it being understood that the Administrative Agent shall use reasonable efforts to coordinate any such requests).

(b) Existence; Conduct of Business. It will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full

force and effect its legal existence and, except to the extent that failure to do so would not reasonably be expected to result in a Material Adverse Effect, the rights, licenses, permits, privileges and franchises material to the conduct of its business (including, in the case of each Broker-Dealer Subsidiary, its registration, license or qualification as a broker-dealer with the SEC and/or such other applicable domestic or foreign Governmental Authority); provided that the foregoing shall not prohibit any transaction expressly permitted under Section 6.02(c).

(c) Compliance with Laws. It will, and will cause each of its Subsidiaries to, comply with all Laws and all orders, writs, injunctions and decrees of any Governmental Authority applicable to it, its business or its Property (including, in the case of each Broker-Dealer Subsidiary, such rules and regulations of the SEC, FINRA and/or such other applicable domestic or foreign Governmental Authority or Self Regulatory Organization) except, with respect to all matters other than noncompliance by any Broker-Dealer Subsidiary with applicable minimum capital requirements, where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(d) Maintenance of Insurance. It will, and will cause each of its Subsidiaries to, maintain with financially sound and reputable insurance companies insurance on all its tangible Property in at least such amounts and against at least such risks as KCMH believes (in the good faith judgment of KCMH) are usually insured against in the same general area by companies of a similar size engaged in the same or a similar business and in a manner that is consistent with KCMH's and its Subsidiaries' past practices.

(e) Payment of Taxes. It will, and will cause each of its Subsidiaries to, pay and discharge, all material taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims in respect of any Taxes imposed, assessed or levied that, if unpaid, could reasonably be expected to become a material Lien upon any Property of KCMH or any Subsidiary, provided that neither KCMH, nor any Subsidiary shall be required to pay any such tax, assessment, charge, levy or claim that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of management of KCMH) with respect thereto in accordance with GAAP or the failure to pay would not reasonably be expected to result in a Material Adverse Effect.

(f) Maintenance of Properties. It will, and will cause each of its Subsidiaries to, keep and maintain all Property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, except to the extent failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(g) Books and Records; Visitation and Inspection Rights. It will, and will cause each Borrower as well as each of its Material Subsidiaries to, keep proper books of record and account in accordance with GAAP, and permit 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 (it being agreed that KCMH shall be given the opportunity to participate in any such discussion with its independent accountants), all at the reasonable expense of KCMH and at such reasonable times during normal business hours,

but in each case subject to and in accordance with all applicable laws of any Governmental Authority and such confidentiality measures relating thereto as KCMH may reasonably require; provided that, other than after the occurrence of and during the continuance of an Event of Default, (i) such visitations and inspections shall not be permitted on more than two instances in any calendar year and (ii) only one such visitation and inspection shall be at the expense of KCMH.

(h) Notices of Material Events. It will furnish to the Administrative Agent and each Lender prompt written notice of the following:

- (i) the occurrence of any Default or Event of Default;
- (ii) the filing or commencement of any action, suit or proceeding by or before any Governmental Authority against or affecting it or any of its Subsidiaries which would reasonably be expected to be adversely determined and, if so determined, would reasonably be expected to result in a Material Adverse Effect; and
- (iii) any other event that has had, or would reasonably be expected to have, a Material Adverse Effect.

Each notice delivered under this subsection shall be accompanied by a statement of a Financial 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.

(i) Additional Guarantors and Grantors; Additional Borrowers.

(i) Subject to any applicable limitations set forth in the Guarantee and Security Agreement, KCMH will promptly cause each direct or indirect domestic Wholly-Owned Subsidiary (other than any Domestic Subsidiary of a Foreign Subsidiary or a Domestic Subsidiary substantially all of whose assets consist of capital stock and/or indebtedness of one or more Foreign Subsidiaries) formed or otherwise purchased or acquired after the date hereof, to execute a supplement to the Guarantee and Security Agreement substantially in the form attached to the Guarantee and Security Agreement (or otherwise in a form reasonable satisfactory to the Administrative Agent) in order to become a Guarantor and a grantor thereunder and take all other action reasonably requested by the Administrative Agent to grant a perfected security interest in its assets to substantially the same extent as granted by the Obligors on the Closing Date; provided that in any event, no Broker-Dealer Subsidiary shall be required to enter into, provide a guarantee, or grant any security interests in its assets under the Guarantee and Security Agreement or any other Loan Document.

(ii) From time to time after the Closing Date, with fifteen Business Days' prior written notice to the Administrative Agent and subject to the satisfaction of the conditions set forth in this Section 6.01(i)(ii), KCMH may designate any Subsidiary as an Additional Borrower; provided that in no event shall a Subsidiary become an Additional Borrower if such Subsidiary either (A) is an entity that would not be required to be an additional Guarantor under Section 6.01(i)(i), or (B) is a direct or indirect

Subsidiary of a Person that is not required to be an additional Guarantor under Section 6.01(i)(i); and provided further that:

(A) such Subsidiary is a Wholly-Owned Subsidiary of KCMH organized or incorporated in the United States or a jurisdiction otherwise approved by the Administrative Agent and the applicable Lenders; provided that, in the case of a jurisdiction in which no Borrower is organized or incorporated on the Closing Date, such designation shall be prohibited if the Administrative Agent or any applicable Lender shall not have the ability or authorization to lend into such jurisdiction;

(B) such Subsidiary is or becomes a Guarantor prior to or contemporaneously with becoming an Additional Borrower;

(C) no Default or Event of Default has occurred and is continuing or would result from such Subsidiary becoming an Additional Borrower;

(D) the Administrative Agent and the Lenders shall have received at least ten Business Days prior to the date such Subsidiary becomes an Additional Borrower such documentation and information as is reasonably requested in writing by the Administrative Agent or any applicable Lender to the extent required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act;

(E) the Administrative Agent shall have received a duly executed and delivered Additional Borrower Joinder Agreement and a duly executed and delivered pledge of the equity of such Subsidiary in accordance with the Guarantee and Security Agreement; and

(F) the Administrative Agent shall have received (i) a copy of the resolutions of the board of directors or other managers of such Subsidiary (or a duly authorized committee thereof) authorizing (a) the execution, delivery, and performance of the Additional Borrower Joinder Agreement and the other Loan Documents (and any agreements relating thereto) to which it is a party and (b) the extensions of credit contemplated hereunder, (ii) the certificate of incorporation and by-laws, certificate of formation and operating agreement or other comparable organizational documents, as applicable, of such Subsidiary, (iii) signature and incumbency certificates (or other comparable documents evidencing the same) of the authorized officers of such Subsidiary executing the Additional Borrower Joinder Agreement and the other Loan Documents to which it is a party, and (iv) if requested by Administrative Agent, a customary legal opinion from outside counsel to the Borrower as to customary joinder matters.

(iii) Upon any Subsidiary becoming an Additional Borrower in accordance with Section 6.01(i), such Subsidiary shall be, jointly and severally, for all purposes, and

with all rights and obligations of, a "Borrower" under this Agreement and the other Loan Documents.

(j) Pledge of Material Foreign Subsidiaries. Subject to any applicable limitations set forth in the Guarantee and Security Agreement, KCMH will promptly deliver to the Administrative Agent a local law pledge agreement under the jurisdiction of organization or formation of each Subsidiary that is directly owned by an Obligor and identified as a Material Foreign Subsidiary in accordance with Section 6.01(a)(iii)(y) in a customary form reasonably satisfactory to the Administrative Agent, together with (i) copies of such Material Foreign Subsidiary's constitutive documents and documents evidencing that such Material Foreign Subsidiary has taken of all necessary action authorizing and approving the execution, delivery and performance of the Loan Documents to which it is a party, and (ii) a legal opinion in a form reasonably satisfactory to the Administrative Agent from counsel to such Material Foreign Subsidiary.

(k) Pledge of Additional Stock and Evidence of Indebtedness. Subject to the Intercreditor Agreement and to any applicable limitations set forth in the Guarantee and Security Agreement or with respect to which, in the reasonable judgment of the Administrative Agent (confirmed in writing by notice to KCMH), the cost or other consequences (including any adverse tax consequences) of doing so shall be excessive in view of the benefits to be obtained by the Lenders therefrom, KCMH will cause (i) all certificates representing Equity Interests (if any) of any Subsidiary held directly by any Borrower or any Guarantor and (ii) all evidences of Indebtedness in excess of \$5,000,000 received by any Borrower or any of the Guarantors, in each case, promptly to be delivered along with applicable instruments of transfer duly executed in blank to the Administrative Agent (or its designee) as security for the obligations owed under the Loan Documents, under the Guarantee and Security Agreement.

(l) Further Assurances. Subject to the Intercreditor Agreement, it will, and will cause each of the Guarantors to, from time to time give, execute, deliver, file and/or record any financing statement, notice, instrument, document, agreement or other paper that is necessary to cause the Liens created by the Guarantee and Security Agreement to be valid first priority perfected Liens on the Property purported to be covered thereby (including after-acquired Property, it being understood that, except as set forth in paragraph (j) above, there shall be no requirement to enter into or deliver security agreements or pledge agreements governed by the laws of any non-U.S. jurisdiction or otherwise take steps to perfect any security interest or Lien securing the Obligations under the laws of any non-U.S. jurisdiction), subject to no equal or prior Lien except as otherwise permitted by the Loan Documents, and promptly from time to time obtain and maintain in full force and effect, and cause each of the Guarantors to obtain and maintain in full force and effect, all licenses, consents, authorizations and approvals of, and make all filings and registrations with, any Governmental Authority necessary under the Laws of the jurisdiction of organization of such Guarantor (or any other jurisdiction in which part of the Collateral owned by it or by any Guarantor may be situated) for the making and performance by it of the Loan Documents to which it is a party. Notwithstanding the foregoing or anything to the contrary in any Loan Document, it is hereby agreed and acknowledged that any requirement to take any action to establish perfection by control under any Loan Document is subject to the Intercreditor Agreement, and the establishment of such control by the Administrative Agent's designee or bailee set forth in the Intercreditor Agreement shall constitute compliance with any

such requirement to establish such control by the Administrative Agent under the Loan Documents.

SECTION 6.02. Negative Covenants. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender), KCMH covenants and agrees that, unless the Majority Lenders shall otherwise consent in writing:

(a) Indebtedness. It will not, and will not permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Indebtedness, provided that KCMH and any Subsidiary may incur Indebtedness (and all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest with regard to such Indebtedness) if (x) immediately before and after such incurrence, no Default or Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to ^[**] 1.00 after giving pro forma effect thereto. The limitations set forth in the immediately preceding sentence shall not apply to any of the following items:

- (i) Indebtedness arising under the Loan Documents;
- (ii) Intercompany Indebtedness owed among the Borrowers and/or their Subsidiaries (including any Indebtedness used to finance any financing transaction);
- (iii) Permitted Subordinated Debt;
- (iv) Indebtedness in respect of Hedging Agreements;
- (v) Indebtedness in respect of overdraft facilities, netting services, automatic clearinghouse arrangements and other cash management and similar arrangements in the ordinary course of business;
- (vi) additional Indebtedness of KCMH and its Subsidiaries in an aggregate principal amount not to exceed \$^[**] at any time outstanding;
- (vii) Indebtedness arising under the Five-Year Credit Agreement (and the other Loan Documents (as defined therein)), and any refinancing, renewal or replacement thereof;
- (viii) Indebtedness arising under fronting and/or settlement facilities ("Fronting Facilities"); provided that, at least 10 Business Days prior to incurring any such Indebtedness (or such shorter period as MHCB shall reasonably agree, it being agreed MHCB shall use commercially reasonable efforts to provide a response to KCMH as soon as practicable after receipt of such notice), KCMH and/or the relevant Subsidiary shall have provided MHCB a bona fide opportunity (through a written notice to MHCB) to provide such Indebtedness, including an offer regarding the timing of establishing such indebtedness, and MHCB shall have either (1) declined (through a written notice

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from the Administrative Agent to KCMH and/or such Subsidiary) to accept such offer to provide such Indebtedness or (2) failed to respond in writing to such offer, in each case, within such 10 Business Day period; and

(ix) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (i) through (viii) above.

(b) Liens. It will not, nor will it permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any Property now owned or hereafter acquired by it, except Liens under the Guarantee and Security Agreement and other Liens in favor of the Administrative Agent as contemplated hereby and except:

(i) Liens arising under the Loan Documents;

(ii) Liens securing Finance Subsidiary Debt; provided that the terms of any Finance Subsidiary Debt (including any intercreditor arrangements entered into in connection therewith) shall provide that the Liens on the Collateral granted under the Guarantee and Security Agreement have at least second priority (to the extent the terms of such Finance Subsidiary Debt do not permit the obligations under the Loan Documents to be secured on a first priority basis *pari passu* with such Finance Subsidiary Debt) after giving effect to the incurrence of such Finance Subsidiary Debt; provided further that the assets securing any such Finance Subsidiary Debt shall be limited to (A) the assets of the Finance Subsidiary or Finance Subsidiaries incurring such Finance Subsidiary Debt and (B) the common equity interests of such Finance Subsidiary or Finance Subsidiaries;

(iii) Permitted Liens;

(iv) Liens securing Indebtedness or other obligations of a KCMH or any Subsidiary of KCMH in favor of KCMH or any Subsidiary of KCMH;

(v) Liens (A) of a collecting bank arising under Section 4-208 of the UCC on items in the course of collection, (B) attaching to commodity trading accounts or other commodities brokerage accounts incurred in the ordinary course of business; and (C) in favor of a banking institution arising as a matter of law encumbering deposits (including the right of set-off);

(vi) Liens encumbering reasonable customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business;

(vii) Liens that are contractual rights of set-off (A) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (B) relating to pooled deposit or sweep accounts of KCMH or any of its Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of KCMH and its Subsidiaries or (C) relating to agreements

entered into with customers of KCMH or any of its Subsidiaries in the ordinary course of business;

(viii) additional Liens so long as the aggregate principal amount of the obligations secured thereby at any time outstanding does not exceed \$[**];

(ix) the modification, replacement, extension or renewal of any Lien permitted by this Section 6.02(b) upon or in the same assets theretofore subject to such Lien (or upon or in after-acquired property that is affixed or incorporated into the property covered by such Lien or any proceeds or products thereof) or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor except to the extent otherwise permitted hereunder) of the Indebtedness secured thereby;

(x) Liens securing obligations in respect of Indebtedness outstanding under Section 6.02(a) (vii), provided such Liens shall only extend to Collateral and shall be pari passu with the Liens securing the Obligations hereunder and subject to the Intercreditor Agreement, or junior to the Liens securing the Obligations and subject to an intercreditor agreement in form and substance reasonably satisfactory to the Administrative Agent and KCMH; and

(xi) Liens securing obligations in respect of Indebtedness outstanding under Section 6.02(a) (viii), provided such Liens only extend to the loans made pursuant to such Fronting Facility and other assets related thereto, and in each case, the proceeds thereof. It is agreed that upon the incurrence of a Lien permitted pursuant to this clause (xi), any Collateral subject to such Lien shall be automatically released from the Liens securing the Obligations (and the Administrative Agent shall take such actions as reasonably requested by KCMH to evidence such release (or absence) of such Lien, it being understood that the Lenders authorize the Administrative Agent to enter into any such documentation, with the Administrative Agent authorized to rely on a certificate from KCMH confirming the automatic release (or absence) of such Lien hereunder in delivering any such documentation).

(c) Mergers, Consolidations, Sales of Assets, Etc. It will not merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its Property (in each case, whether now owned or hereafter acquired), or liquidate or dissolve (provided, that, if at the time thereof and immediately after giving effect thereto no Default or Event of Default shall have occurred and be continuing, any Person may merge into KCMH in a transaction in which KCMH is the surviving entity) and it will not permit any of its Subsidiaries to merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with any Subsidiary, if a Default or Event of Default would result as a result from any such merger or consolidation and, if involving a Borrower or a Guarantor, unless such Borrower or Guarantor is the surviving entity or such successor entity is a Subsidiary of KCMH immediately following such merger or consolidation and expressly assumes the obligations of such Borrower or Guarantor, as applicable, under the Loan Documents; provided further that Subsidiaries of KCMH shall be permitted to liquidate or

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dissolve, except to the extent such liquidation or dissolution would reasonably be expected to result in a Material Adverse Effect and provided that upon or prior to the liquidation or dissolution of any Borrower no Borrowings of such Borrower or Letters of Credit issued for the account of such Borrower are outstanding.

(d) Investments. Without the prior written consent of the Majority Lenders (such consent not to be unreasonably withheld), it will not, and will not permit any of its Subsidiaries to, make any Investment in KKR or its Affiliates; provided, that so long as no Event of Default has occurred and is continuing, KCMH and its Subsidiaries may make Investments in the ordinary course of KCMH and its Subsidiaries' capital markets business and in compliance with Section 6.02(i) in (i) any KCM Group Entity, (ii) any portfolio company (or any entity controlled by a portfolio company) of any fund, separately managed account or partnership managed or controlled or sponsored by KKR and/or its Affiliates (any such fund, account or partnership, a "KKR Vehicle") and (iii) any KKR Vehicle with publicly traded securities or securities issued pursuant to Rule 144A of the Securities Act of 1933 or any foreign equivalent or with respect to which a registration statement or equivalent foreign document has been filed.

(e) Dividends. It will not, and will not permit any of its Subsidiaries to, declare or pay any dividends or make distributions (other than dividends or distributions payable solely in its Equity Interests (other than Disqualified Equity Interests)) or return any capital to its equity holders or make any other distribution, payment or delivery of property or cash to its equity holders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any of its Equity Interests or Equity Interests of any direct or indirect parent thereof now or hereafter outstanding, or set aside any funds for any of the foregoing purposes, or permit any of its Subsidiaries to purchase or otherwise acquire for consideration any Equity Interests of KCMH, now or hereafter outstanding (all of the foregoing, "dividends"), provided that KCMH and any Subsidiary may pay dividends if (x) immediately before and after paying such dividend, no (1) Default or (2) Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to ^[**] to 1.00 after giving pro forma effect thereto. The limitations set forth in the immediately preceding sentence (other than subclause (x)(2) in the proviso thereto) shall not apply to any of the following items so long as KCMH is in compliance with Section 6.03 after giving pro forma effect thereto:

(i) it may (or may pay dividends to permit any direct or indirect parent thereof to) redeem in whole or in part any of its Equity Interests for another class of its (or such parent's) Equity Interests (other than Disqualified Equity Interests) or with proceeds from substantially concurrent equity contributions or issuances of new Equity Interests (other than Disqualified Equity Interests), provided that such new Equity Interests contain terms and provisions at least as advantageous to the Lenders in all respects material to their interests as those contained in the Equity Interests redeemed thereby;

(ii) it may pay dividends, the proceeds of which will be used to pay (or to pay dividends to allow any direct or indirect parent of KCMH to pay (including to the individual owners of any direct or indirect parent of KCMH)) the tax liability of such parent and the individual owners of any direct or indirect parent, determined at the highest combined federal, state and local income tax rate applicable to an individual

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resident in New York City, attributable to the direct or indirect ownership of KCMH or its Subsidiaries determined as if KCMH and its Subsidiaries filed separately;

(iii) it or any of its Subsidiaries may (i) pay cash in lieu of fractional Equity Interests in connection with any dividend, split or combination thereof and (ii) honor any conversion request by a holder of convertible Indebtedness and make cash payments in lieu of fractional shares in connection with any such conversion; and

(iv) any Subsidiary of KCMH may pay dividends to its direct parent; provided that if any such dividends are paid by a non-Wholly-Owned Subsidiary, such dividends shall be made ratably based on the equity holder's interests therein (or any other amount more favorable to KCMH), provided further that if the proceeds of any outstanding Loans or Letters of Credit have been used for an Investment in such non-Wholly-Owned Subsidiary, any cash dividends paid to such parent shall be applied to prepay such Loans or cash collateralize such Letters of Credit if no Loans are outstanding, at the option of the Administrative Agent, without application of Section 3.12 or at the end of the next Interest Period(s) (in the case of a Term Benchmark Loan) or calendar quarter (in the case of an ABR Loan or RFR Loan), as applicable.

(f) Subordinated Debt Payments. It will not, and will not permit any of its Subsidiaries to, prepay, repurchase or redeem, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner, or make any payment in violation of any subordination terms of, any Subordinated Indebtedness; provided that KCMH and any Subsidiary may prepay, repurchase or redeem, defease or otherwise satisfy any Subordinated Indebtedness if (x) immediately before and after such payment, no Default or Event of Default shall have occurred and be continuing and (y) the Debt to Equity Ratio is less than or equal to ^[**] to 1.00 after giving pro forma effect thereto. Notwithstanding the foregoing, nothing in this Section 6.02(f) shall prohibit the repayment or prepayment of intercompany Subordinated Indebtedness owed among KCMH and/or its Subsidiaries, in either case unless an Event of Default has occurred and is continuing and KCMH has received a notice from the Administrative Agent instructing it not to make or permit any such repayment or prepayment.

(g) Burdensome Agreements. It will not, and will not permit any of its Subsidiaries to, enter into or suffer to exist or become effective any agreement that prohibits or limits the ability (i) of any Obligor to create, incur, assume or suffer to exist any Lien upon any of its material Property or revenues, whether now owned or hereafter acquired, to secure the Obligations or, in the case of any Guarantor, its obligations under the Guarantee and Security Agreement, or (ii) of any Subsidiary to make Restricted Payments to any Borrower or any Guarantor or to otherwise transfer property to or invest in any Borrower or any Guarantor, other than (A) this Agreement and the other Loan Documents, (B) any agreements governing Finance Subsidiary Debt and, in the case of clause (i) above only, purchase money Liens (or any permitted refinancing in respect thereof) or Finance Lease Obligations otherwise permitted hereby (in which case, any prohibition or limitation shall only be effective against the assets financed thereby and in the case of any permitted refinancing of purchase money Indebtedness, no more restrictive than that in the relevant refinanced agreement), (C) any such agreement in effect at the time any Subsidiary becomes a Subsidiary of KCMH, so long as such agreement was not entered into solely in contemplation of such Person becoming a Subsidiary of KCMH,

*[**]=Certain information contained in this document, marked by "[**]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

(D) any such agreement imposed or required by or otherwise entered into with any applicable Governmental Authority, (E) any agreement in respect of Indebtedness outstanding under Section 6.02(a)(vii) or (viii) and (F) any agreement in respect of Indebtedness permitted to be outstanding under this Agreement, provided such restrictions do not, in the good faith judgment of KCMH, impair in any material respect the ability of the Borrowers hereunder to comply with their payment obligations under the Loan Documents.

(h) Affiliate Transactions. It will not, and will not permit any of its Subsidiaries to, enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate (other than KCMH or any of its Subsidiaries) unless such transaction is (a) otherwise permitted under this Agreement, including the payment and receipt of any dividend permitted pursuant to Section 6.02(e), and (b) upon terms that, in the aggregate, are no less favorable to KCMH or such Subsidiary, as the case may be, than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate; provided that nothing in this Section 6.02(h) shall prohibit KCMH or any of its Subsidiaries from providing placement, advisory or other services in the ordinary course of business so long as such services do not include a funding obligation of KCMH or such Subsidiary.

(i) Line of Business. It will not, nor will it permit any of its Subsidiaries to, enter into any business, either directly or through any Subsidiary, except for those businesses in which KCMH and its Subsidiaries are engaged on the Closing Date or that are reasonably related thereto.

(j) Change in Fiscal Year. It will not make any change to its fiscal year; provided that KCMH may, upon written notice to the Administrative Agent, change its fiscal year end to any other fiscal year end reasonably acceptable to the Administrative Agent, in which case KCMH and the Administrative Agent will, and are hereby authorized by the other parties hereto to, make any adjustments to this Agreement that are necessary to effect such change.

SECTION 6.03. Financial Covenant. So long as any principal of or interest on any Loan or any other amount or obligation under the Loan Documents (other than contingent indemnity obligations not then due) shall remain unpaid or unsatisfied or any Lender shall have any Commitment or any Letter of Credit shall remain outstanding hereunder (unless such Letter of Credit has been cash collateralized or otherwise backstopped on terms reasonably satisfactory to the relevant Issuing Lender and the Administrative Agent), KCMH covenants and agree that, unless the Majority Lenders shall otherwise consent in writing, KCMH will not permit the Debt to Equity Ratio on the last day of any fiscal quarter of KCMH to exceed ~~1.00~~ to 1.00.

ARTICLE VII

EVENTS OF DEFAULT

SECTION 7.01. Events of Default. If any of the following events ("Events of Default") shall occur and be continuing:

- (a) any Borrower shall fail to pay when due any principal of any Loan;

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(b) any Borrower shall fail for five Business Days or more to pay any interest, fee or L/C Reimbursement Obligation or any other amount (other than principal) payable by such Borrower under any Loan Document when and as the same shall become due and payable;

(c) any representation or warranty made or deemed made by an Obligor in this Agreement, any other Loan Document or in any certificate furnished pursuant to this Agreement shall prove to have been untrue in any material respect when made or deemed made;

(d) any Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 6.01(b) (with respect to the legal existence of such Borrower), (h)(i), 6.02 (other than those contained in clause (j) of such Section) or 6.03;

(e) any Obligor shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Section) or in any other Loan Document, and such failure shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent to KCMH;

(f) any Borrower or any Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall fail to make any payment of principal of or interest on any Material Indebtedness when and as the same shall become due and payable (beyond any period of grace, if any); or any event or condition occurs that results in the acceleration (or, solely with respect to any Material Indebtedness incurred under Section 6.02(a)(iii), permits the holders of such Indebtedness (or a trustee or agent on behalf of such holders) to cause such acceleration) of such Material Indebtedness prior to its scheduled maturity;

(g) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, winding up, reorganization or other relief in respect of any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) or its debts, or of a substantial part of its Property, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) or for a substantial part of its Property, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(h) any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, winding up, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership 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, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any Borrower or any Material Subsidiary (other than

any Finance Subsidiary) or for a substantial part of its Property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(i) any Borrower or any Material Subsidiary (other than any Finance Subsidiary that is not a Borrower) 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 \$[**] shall be rendered against KCMH or any Subsidiary and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any Property of KCMH or any Subsidiary to enforce any such judgment;

(k) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred for which liability has not been fully satisfied, would reasonably be expected to result in a Material Adverse Effect; or

(l) the Guarantee and Security Agreement shall cease to be valid and binding on, or enforceable against, (i) KCMH or (ii) any other Borrower or Guarantor which is a Material Subsidiary (other than pursuant to the terms hereof or thereof or as a result of acts or omissions of the Administrative Agent or any Lender), or KCMH or any such other Borrower or Guarantor shall so assert in writing; or

(m) a Change of Control shall occur;

then the Administrative Agent shall upon the request of the Majority Lenders, by notice to KCMH, take any or all of the following actions, at the same or different times: (i) terminate the Commitments and thereupon they shall terminate immediately, (ii) terminate any obligation of the Issuing Lender to issue Letters of Credit hereunder, and thereupon such obligations shall terminate, (iii) declare the Loans and all other amounts payable by the Obligors under the Loan Documents 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 so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of each Borrower accrued and other amounts payable by the Obligors under the Loan Documents, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower, and/or (iv) require the Borrowers to jointly and severally provide cash collateral for L/C Reimbursement Obligations and the outstanding undrawn Letters of Credit in an aggregate amount equal to the then aggregate L/C Exposure and thereupon the Borrowers shall forthwith provide such cash collateral on terms and subject to documentation reasonably satisfactory to the relevant Issuing Lenders and the Administrative Agent; and in case of any event applicable to any Borrower described in clause (g) or (h) of this Section, the Commitments and such obligations of the Issuing Lender shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the

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Obligors accrued under the Loan Documents, shall automatically become due and payable, and the Borrowers jointly and severally shall automatically be required to provide such cash collateral, all without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower. Nothing herein shall terminate or otherwise modify the obligations of the Lenders under Section 2.02(d).

SECTION 7.02. Investors' Right to Cure.

(a) Notwithstanding anything to the contrary contained in Section 7.01(d), in the event that KCMH fails to comply with the requirements of the covenant set forth in Section 6.03, until the expiration of the tenth day after the date on which financial statements for the fiscal period in which the covenant set forth in such Section 6.03 is being measured are required to be delivered pursuant to Section 6.01(a), any Person shall have the right to make a direct or indirect equity investment in KCMH in cash (the "Cure Right"), and upon the receipt by such Person of net cash proceeds pursuant to the exercise of the Cure Right (including through the capital contribution of any such net cash proceeds to such Person), the covenant set forth in such Section 6.03 shall be recalculated, giving effect to a pro forma increase to Total Equity as of the relevant date of determination in an amount equal to such net cash proceeds.

(b) If, after the exercise of the Cure Right and the recalculations pursuant to clause (a) above, KCMH shall then be in compliance with the requirements of the covenant set forth in Section 6.03 for the relevant fiscal quarter, KCMH shall be deemed to have satisfied the requirements of such covenant as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable Default or Event of Default under Section 7.01(d) that had occurred shall be deemed cured.

ARTICLE VIII

THE ADMINISTRATIVE AGENT

SECTION 8.01. Appointment and Authority. (a) Each of the Lenders hereby irrevocably appoints MHCB to act on its behalf as the Administrative Agent under and in connection with the Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders and the Borrowers shall have no rights as a third party beneficiary of any of such provisions.

(b) Each Issuing Lender shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each such Issuing Lender shall have all of the benefits and immunities (i) provided to the Administrative Agent in this Article VIII with respect to any acts taken or omissions suffered by such Issuing Lender in connection with Letters of Credit issued by it or proposed to be issued by it and the applications and agreements for letters of credit pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in this Article VIII included such Issuing Lender with respect to

such acts or omissions, and (ii) as additionally provided herein with respect to such Issuing Lender.

(c) The Administrative Agent shall also act as the “collateral agent” under the Loan Documents, and each of the Lenders and the Issuing Lender hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the Issuing Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Obligors to secure any of the obligations of the Obligors under the Loan Documents, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as “collateral agent” and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 8.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Loan Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of this Article VIII and Article IX as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Loan Documents as if set forth in full herein with respect thereto.

SECTION 8.02. Rights as a Lender. The Person serving as the Administrative 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 the Administrative Agent and the term “Lender” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Obligor or any Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 8.03. Exculpatory Provisions.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not 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 the Administrative Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and

(iii) shall not, except as expressly set forth in the Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information

relating to any Obligor or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 9.01) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by a Borrower or a Lender.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

SECTION 8.04. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan or issuance of a Letter of Credit that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan or such issuance. The Administrative Agent may consult with legal counsel (who may be counsel for a Borrower), 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.

SECTION 8.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers under any Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent and any Issuing Lender may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent and the Issuing Lender, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

SECTION 8.06. Resignation of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders and KCMH. Upon receipt of any such notice of resignation, the Majority Lenders shall have the right, in consultation with KCMH, to appoint a successor, which shall be a nationally recognized bank with an office in New York, New York or an Affiliate of any such bank with an office in New York, New York. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above, provided, that if the Administrative Agent shall notify KCMH and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (b) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Majority Lenders appoint a successor Administrative Agent as provided for above in this subsection. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations under the Loan Documents (if not already discharged therefrom as provided above in this subsection). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between KCMH and such successor. After the retiring Administrative Agent's resignation, the provisions of this Article and Section 9.04 shall continue in effect for the benefit of such retiring Administrative 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 the retiring Administrative Agent was acting as Administrative Agent.

SECTION 8.07. Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties 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 the Administrative Agent or any other Lender or any of their Related Parties 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 any Loan Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 8.08. No Other Duties; Etc. Anything herein to the contrary notwithstanding, the Lead Arranger and any bookrunner listed on the cover page hereof shall not, in such capacities, have any powers, duties or responsibilities under any of the Loan Documents.

SECTION 8.09. Intercreditor Agreement Governs. The Administrative Agent, each Lender and each Obligor hereby agrees that it will be bound by and will take no actions contrary to the provisions of the Intercreditor Agreement and any other intercreditor agreement entered into pursuant to the terms hereof. Each Lender hereby authorizes and instructs the Administrative Agent to enter into the Intercreditor Agreement and each other intercreditor agreement entered into pursuant to the terms hereof (including any amendments or other modifications thereof) and to subject the Liens securing the Obligations to the provisions thereof.

SECTION 8.10. Collateral Matters: Credit Bidding.

(a) Except with respect to the exercise of setoff rights in accordance with Section 9.03 or with respect to a Secured Creditor's right to file a proof of claim in an insolvency proceeding, no Secured Creditor shall have any right individually to realize upon any of the Collateral or to enforce any Guarantee of the Obligations, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Creditors in accordance with the terms thereof.

(b) The Secured Creditors hereby irrevocably authorize the Administrative Agent, at the direction of the Majority Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of any bankruptcy laws, including under Sections 363, 1123 or 1129 of the United States Bankruptcy Code, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law; *provided* that to the extent the Loans are paid in full in cash, the Commitments are terminated and the Letters of Credit cash collateralized in accordance with the terms hereof, the consent of Majority Lenders shall not be required in connection with any such credit bid. In connection with any such credit bid and purchase, the Obligations owed to the Secured Creditors shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction of the Majority Lenders and, except as set forth above, with the consent of the Majority Lenders, on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Creditors' ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Majority Lenders or

their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Majority Lenders contained in Section 9.01 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Creditors, ratably on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Creditor or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Creditors pro rata with their original interest in such Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Creditor or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Creditor are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Creditor shall execute such documents and provide such information regarding the Secured Creditor (and/or any designee of the Secured Creditor which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. Amendments, Etc.

(a) No amendment or waiver of any provision of this Agreement or any other Loan Document, nor consent to any departure by a Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrowers and the Majority Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, that no amendment, waiver or consent shall, unless in writing and signed by each Lender directly and adversely affected thereby, do any of the following: (i) subject such Lender to any additional obligations including, without limitation, any extension of the expiry date of the Commitment of such Lender or increase the Commitment of such Lender, (ii) reduce the principal of, or rate of interest on, any Loan, L/C Reimbursement Obligation or any fees or other amounts payable hereunder, (iii) postpone any date for payment of principal of, or interest on, any Loan, L/C Reimbursement Obligation or any fees or other amounts payable hereunder when due (other than fees or other amounts payable for the sole account of an Issuing Lender), or (iv) modify any of the provisions of the Loan Documents relating to pro rata payments; and provided further, that no amendment, waiver or consent shall, unless in writing and signed by all of the Lenders, change the percentage of the Commitments or

of the aggregate unpaid principal amount of the Loans, or the number of Lenders, which shall be required for the Lenders or any of them to take any action hereunder, (A) amend Section 3.07(a) or (b), or this Section 9.01, or (B) release all or substantially all of the Collateral or all or substantially all of the value of the Guarantees provided by the Guarantors; and provided further, that (x) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and the Issuing Lenders in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent or, as the case may be, the Issuing Lenders under any Loan Document and (y) if the Administrative Agent and KCMH shall have jointly identified an obvious error or any error or omission of a technical or immaterial nature in any provision of the Loan Documents, then the Administrative Agent and KCMH shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document if the same is not objected to in writing by the Majority Lenders within five Business Days after notice thereof. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

(b) This Agreement, the other Loan Documents and the other agreements provided for herein constitute the entire agreement of the parties hereto and thereto with respect to the subject matter hereof and thereof.

SECTION 9.02. Notices, KCMH as Administrative Borrower, Etc.

(a) Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsections (b) and (c) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, in each case, as follows:

(i) if to any Borrower or any Guarantor:

c/o KKR Capital Markets Holdings L.P.
30 Hudson Yards, Suite 7500
New York, New York 10001
Attention: John Knox – Financial Controller; Jeff Schwartz - Counsel
Telephone: [***]
Facsimile: [***]
Electronic Mail: [***]

(ii) if to the Administrative Agent:

Mizuho Bank, Ltd.
New York Branch

1271 Avenue of the Americas
New York, New York 10020
Attention: Sean Pattap
Telephone: [***]
Electronic Mail: [***]

- (iii) if to the Issuing Lender:

Mizuho Bank, Ltd.
New York Branch
1271 Avenue of the Americas
New York, New York 10020
Attention: Sean Pattap
Telephone: [***]

[***]

- (iv) if to a Lender, to it at its address (or telecopier number, electronic mail address or telephone number) set forth in its Administrative Questionnaire;

provided, that any party may change its address, telecopier number, electronic mail address or telephone number for notices and other communications hereunder by notice to the other parties. Except as provided in clause (d) below, notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient), except that notices and communications to the Administrative Agent pursuant to Article II or Article VII shall not be effective until received by the Administrative Agent. Notices delivered through electronic communications to the extent provided in clause (b) below, shall be effective as provided in said clause (b).

(b) Notices and other communications to any Lender hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or any Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next

Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) Each Borrower further agrees that the Administrative Agent may make communications to Lenders available to the Lenders by posting the communications on Intralinks or a substantially similar electronic transmission system (the "Platform"). THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, 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 AGENT PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT OR ANY OF ITS AFFILIATES OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, ADVISORS OR REPRESENTATIVES (COLLECTIVELY, THE "AGENT PARTIES") HAVE ANY LIABILITY TO ANY OBLIGOR, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF SUCH OBLIGOR'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT THE LIABILITY OF ANY AGENT PARTY IS FOUND IN A FINAL NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED PRIMARILY FROM SUCH AGENT PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(d) The Administrative Agent agrees that the receipt of the communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the communications to the Administrative Agent for purposes of the Loan Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying that the communications have been posted to the Platform shall constitute effective delivery of the communications to such Lender for purposes of the Loan Documents. Each Lender agrees (i) to provide to the Administrative Agent in writing (including by electronic communication), promptly after the date of this Agreement, one or more e-mail addresses to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such e-mail address or addresses.

(e) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

(f) The Borrowers each hereby irrevocably appoint KCMH as the administrative borrower with respect to this Agreement and the other Loan Documents, and all notices, demands and interactions with KCMH are hereby authorized by the other Borrowers, and shall be conclusive and binding on the other Borrowers, who duly and irrevocably authorize KCMH to act on their behalf for all purposes under this Agreement and the other Loan Documents, and the Administrative Agent and the Lenders may conclusively rely on all notices, directions, and other interactions with KCMH without consulting in any manner with the other Borrowers.

SECTION 9.03. No Waiver; Remedies; Setoff.

(a) No failure on the part of any Lender or the Administrative Agent to exercise, and no delay in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, remedy, power or privilege preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

(b) If an Event of Default shall have occurred and be continuing, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender to or for the credit or the account of any Borrower against any and all of the obligations of such now or hereafter existing under this Agreement or any other Loan Document to such Lender irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations of such Borrower may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender may have. Each Lender agrees to notify KCMH and the Administrative Agent promptly after any such setoff and application, provided, that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 9.04. Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrowers jointly and severally shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, the Lead Arranger and their respective Affiliates (including the reasonable fees, charges and disbursements of one counsel (together with one local counsel in each relevant jurisdiction)), in connection with the syndication of the facility contemplated hereby, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof, (ii) all out-of-pocket expenses incurred by the Administrative Agent and the Lenders (including the fees, charges and disbursements of one counsel (together with one local counsel in each relevant jurisdiction) and, after notice to KCMH, of more than one such counsel to the extent the Administrative Agent or

any Lender reasonably determines that there is an actual conflict of interest requiring the employment of separate counsel) in connection with the enforcement (including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect thereof) or, during the continuance of an Event of Default, protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section and (iii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Lender in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder.

(b) Indemnification by the Borrower. The Borrowers jointly and severally hereby indemnify the Administrative Agent, the Lead Arranger, each Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of one counsel for the Indemnitees (together with one local counsel in each relevant jurisdiction) and, after notice to KCMH, of more than one such counsel to the extent any Indemnitee reasonably determines that there is an actual conflict of interest requiring the employment of separate counsel), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by any Borrower or any other Obligor arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom, or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Borrower or any other Obligor 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 (x) are determined by a final and nonappealable judgment of a court of competent jurisdiction to have resulted from the bad faith, gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by any Borrower against an Indemnitee for material breach of such Indemnitee's obligations hereunder or under any other Loan Document, if such Borrower has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. This Section 9.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under clause (a) or (b) of this Section to be paid by it to the Administrative Agent, the Issuing Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent, the Issuing Lender or such Related Party, as the case may be, such Lender's Commitment Percentage (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 or the Issuing Lender in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent or the Issuing Lender in connection with such capacity.

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, each party hereto agrees that it will not assert, and hereby waives, any claim against any other party hereto, 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, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any Letter of Credit or the use of proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the bad faith, gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than 15 Business Days after demand therefor.

SECTION 9.05. Binding Effect, Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Administrative Agent and each Lender and their respective successors and permitted assigns, except that no Borrower shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the Administrative Agent and the Lenders.

SECTION 9.06. Assignments and Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of clause (b) of this Section, (ii) by way of participation in accordance with the provisions of clause (d) of this Section or (iii) by way of pledge or assignment of a security interest in accordance with clause (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). 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, Participants to the extent provided in clause (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees 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); provided, that

(i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the 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 or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof, unless each of the Administrative Agent and, unless an Event of Default has occurred and is continuing, KCMH otherwise consents (each such consent not to be unreasonably withheld or delayed);

(ii) 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 with respect to the Loans or the Commitment assigned;

(iii) 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 and the Eligible Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire; and

(iv) no assignment shall be made to a natural person.

Subject to notice to KCMH and acceptance and recording thereof by the Administrative Agent pursuant to clause (c) of this Section, from and after the Assignment Date specified in each Assignment and Assumption (an "Assignment Date"), the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and 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 3.09, 3.11, 3.12 and 9.04 with respect to facts and circumstances occurring prior to such Assignment Date. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection 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 (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrowers, shall maintain at its address specified in Section 9.02 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 Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the

Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, any Borrower or the Administrative Agent, sell participations to any Person (other than a natural person or any Borrower or any of any of KCMH's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided, that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement.

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 of Section 9.01 that affects such Participant. Subject to clause (e) of this Section, each Borrower agrees that each Participant shall be entitled to the benefits and obligations of Sections 3.09, 3.11, and 3.12 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to clause (b) of this Section 9.06. Each Lender that sells a participation agrees, at the Borrowers' request and expense, to use reasonable efforts to cooperate with the Borrowers to effectuate the provisions of Section 3.13(b) with respect to any Participant. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) except to the extent that such disclosure is necessary 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 shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Sections 3.09, 3.11 and 3.12 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant.

(f) Certain Pledges. Any Lender, without the consent of any Borrower or the Administrative Agent may at any time grant security interest in all or any portion of its rights

under this Agreement or any Note to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided, that no such pledge or assignment shall release such Lender from any of its obligations hereunder.

(g) Resignation as Issuing Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time MHCB assigns all of its Commitment and Loans pursuant to Section 9.06(b), MHCB may, upon 30 days' notice to KCMH and the Lenders, resign as Issuing Lender. In the event of any such resignation as Issuing Lender, KCMH shall be entitled to appoint, from among the Lenders, a successor Issuing Lender hereunder; provided, however, that no failure by KCMH to appoint any such successor shall affect the resignation of MHCB as Issuing Lender. If MHCB resigns as Issuing Lender, it shall retain all the rights, powers, privileges and duties of the Issuing Lender hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as Issuing Lender and all L/C Exposure with respect thereto. Upon the appointment of a successor Issuing Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Lender, and (b) the successor Issuing Lender shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to MHCB to effectively assume the obligations of MHCB with respect to such Letters of Credit.

SECTION 9.07. GOVERNING LAW; JURISDICTION; ETC.

(A) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(B) SUBMISSION TO JURISDICTION. EACH BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH BORROWER 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 COURT OR, TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH BORROWER 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. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(C) **WAIVER OF VENUE.** EACH BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN CLAUSE (B) ABOVE. EACH BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(D) **SERVICE OF PROCESS.** EACH BORROWER AGREES THAT SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, AT ITS ADDRESS SET FORTH IN SECTION 9.02, OR AT SUCH OTHER ADDRESS OF WHICH THE ADMINISTRATIVE AGENT SHALL HAVE BEEN NOTIFIED IN WRITING BY KCMH.

SECTION 9.08. 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 9.09. Counterparts; Effectiveness; Execution.

(a) Counterparts; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. 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 that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Loan Documents or any Assignments. The words "execution," "signed," "signature," and words of like import in this Agreement or any other Loan Documents or any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 9.10. Survival. The provisions of Sections 3.09, 3.11 and 3.12 and Article VIII and Section 9.04 shall survive and remain in full force and effect regardless of the

consummation of the transactions contemplated hereby, the repayment of the Loans and the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.11. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY 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 OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON 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 THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 9.12. Confidentiality. Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and will be subject to customary confidentiality obligations of professional practice or will agree (which agreement may be oral or pursuant to company policy) to be bound by the terms of this Section 9.12 (or language substantially similar to this Section 9.12)), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any Self Regulatory Organization), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies under this Agreement or any other Loan Document or any action or proceeding relating to the Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, 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 or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any Borrower and its obligations, (g) with the consent of KCMH or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a non-confidential basis from a source other than KCMH or its Subsidiary.

For purposes of this Section, "Information" means all information received from KCMH or any of its Subsidiaries relating to KCMH or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by KCMH or any of its Subsidiaries. Any Person required to maintain the confidentiality of Information as provided in this Section 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.

SECTION 9.13. No Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby, each Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a) the credit facility provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document) are an arm's length commercial transaction between the Borrowers and their Affiliates, on the one hand, and the Administrative Agent and the Lead Arranger, on the other hand, and each Borrower is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification thereof); (b) in connection with the process leading to such transaction, the Administrative Agent and the Lead Arranger, each is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for any Borrower or any of its Affiliates, equity holders, creditors or employees or any other Person; (c) neither the Administrative Agent nor the Lead Arranger has assumed or will assume an advisory, agency or fiduciary responsibility in favor of any Borrower with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment waiver or other modification hereof or of any other Loan Document (irrespective of whether the Administrative Agent or the Lead Arranger has advised or is currently advising any Borrower or any of its Affiliates on other matters) and neither the Administrative Agent nor the Lead Arranger has any obligation to any Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; (d) the Administrative Agent and the Lead Arranger and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their Affiliates, and neither the Administrative Agent nor the Lead Arranger has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (e) the Administrative Agent and the Lead Arranger have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and the Borrowers have consulted their own legal, accounting, regulator and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Administrative Agent and the Lead Arranger with respect to any breach or alleged breach of agency or fiduciary duty.

SECTION 9.14. 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 9.15. USA PATRIOT Act. Each Lender hereby notifies each Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies such Borrower, which information includes the name and address of the Borrowers and other information that will allow such Lender to identify such Borrower in accordance with the Patriot Act.

SECTION 9.16. Judgment Currency. This is an international loan transaction in which the specification of Dollars or an Alternate Currency, as the case may be (the "Specified Currency"), and any payment in New York City or the country of the Specified Currency, as the case may be (the "Specified Place"), is of the essence, and the Specified Currency shall be the currency of account in all events relating to amounts denominated in such Specified Currency. The payment obligations of the Borrowers under this Agreement and the other Loan Documents shall not be discharged by an amount paid in another currency or in another place, whether pursuant to a judgment or otherwise, to the extent that the amount so paid on conversion to the Specified Currency and transfer to the Specified Place under normal banking procedures does not yield the amount of the Specified Currency at the Specified Place due hereunder. If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Specified Currency into another currency (the "Second Currency"), the rate of exchange which shall be applied shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the Specified Currency with the Second Currency on the Business Day next preceding that on which such judgment is rendered. The obligation of the Borrowers in respect of any such sum due from it to the Administrative Agent or any Lender hereunder shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be due hereunder or under the Notes in the Second Currency to the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase and transfer to the Specified Place the Specified Currency with the amount of the Second Currency so adjudged to be due; and the Borrowers hereby, as a separate obligation and notwithstanding any such judgment, jointly and severally agree to indemnify the Administrative Agent or such Lender, as the case may be, against, and to pay the Administrative Agent or such Lender, as the case may be, on demand in the Specified Currency, any difference between the sum originally due to the Administrative Agent or such Lender, as the case may be, in the Specified Currency and the amount of the Specified Currency so purchased and transferred.

SECTION 9.17. European Monetary Union. (a) Definitions. In this Section 9.17 and in each other provision of this Agreement to which reference is made in this Section 9.17 (whether expressly or impliedly), the following terms have the following respective meanings:

"EMU" shall mean economic and monetary union as contemplated in the Treaty on European Union.

"EMU Legislation" shall mean legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency, being in part the implementation of the third stage of EMU.

"Euro" shall mean the single currency of Participating Member States of the European Union, which shall be a Currency under this Agreement.

"Euro Unit" shall mean a currency unit of the Euro.

"National Currency Unit" shall mean a unit of any Currency (other than a Euro Unit) of a Participating Member State.

"Participating Member State" shall mean each state so described in any EMU Legislation.

"Target Operating Day" shall mean any day that is not (a) a Saturday or Sunday, (b) Christmas Day or New Year's Day or (c) any other day on which the Trans-European Real-time Gross Settlement Express Transfer system (or any successor settlement system) is not operating (as determined by the Administrative Agent).

"Treaty on European Union" shall mean the Treaty of Rome of March 25, 1957, as amended by the Single European Act 1986 and the Maastricht Treaty (which was signed at Maastricht on February 7, 1992, and came into force on November 1, 1993), as amended from time to time.

(b) Alternative Currencies. If and to the extent that any EMU Legislation provides that an amount denominated either in the Euro or in the National Currency Unit of a Participating Member State and payable within the Participating Member State by crediting an account of the creditor can be paid by the debtor either in the Euro Unit or in that National Currency Unit, any party to this Agreement shall be entitled to pay such amount either in the Euro Unit or in such National Currency Unit.

(c) Payments by the Administrative Agent Generally. With respect to the payment of any amount denominated in the Euro or in a National Currency Unit, the Administrative Agent shall not be liable to any Borrower or any of the Lenders in any way whatsoever for any delay, or the consequences of any delay, in the crediting to any account of any amount required by this Agreement to be paid by the Administrative Agent if the Administrative Agent shall have taken all relevant steps to achieve, on the date required by this Agreement, the payment of such amount in immediately available, freely transferable, cleared funds (in the Euro Unit or, as the case may be, in a National Currency Unit) to the account of any Borrower or any Lender, as the case may be, in the Principal Financial Center in the Participating Member State which the Borrower or, as the case may be, such Lender shall have specified for such purpose. In this paragraph (c), "all relevant steps" shall mean all such steps as may be prescribed from time to time by the regulations or operating procedures of such clearing or settlement system as the Administrative Agent may from time to time reasonably determine for the purpose of clearing or settling payments of the Euro.

(d) [Reserved].

(e) Rounding. Without prejudice and in addition to any method of conversion or rounding prescribed by the EMU Legislation, each reference in this Agreement to a minimum amount (or a multiple thereof) in a National Currency Unit to be paid to or by the Administrative Agent shall be replaced by a reference to such reasonably comparable and convenient amount (or a multiple thereof) in the Euro Unit as the Administrative Agent may from time to time specify.

(f) Other Consequential Changes. Without prejudice to the respective liabilities of the Borrowers to the Lenders and the Lenders to the Borrowers under or pursuant to

this Agreement, except as expressly provided in this Section 9.17, each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be necessary or appropriate to reflect the introduction of or changeover to the Euro in Participating Member States.

SECTION 9.18. Acknowledgement and Consent to Bail-In of Affected Financial Institutions

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected 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 the applicable Resolution Authority.

SECTION 9.19. Administrative Matters. Notwithstanding the termination of the Existing Credit Agreement on the Closing Date, for administrative convenience, the principal amount of Loans outstanding (if any) under and governed by the Existing Credit Agreement immediately prior to the Closing Date shall be transferred to and deemed to be outstanding under this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers or representatives thereunto duly authorized, as of the date first above written.

KKR CAPITAL MARKETS HOLDINGS L.P.,
as a Borrower

By: KKR CAPITAL MARKETS HOLDINGS
GP LLC, its general partner

By: /s/ Adam Smith
Name: Adam Smith
Title: Chief Executive Officer

KKR CORPORATE LENDING LLC, as a
Borrower

By: /s/ Adam Smith
Name: Adam Smith
Title: Chief Executive Officer

KKR CORPORATE LENDING (CA) LLC, as a
Borrower

By: /s/ Adam Smith
Name: Adam Smith
Title: Chief Executive Officer

KKR CORPORATE LENDING (TN) LLC, as a
Borrower

By: /s/ Adam Smith
Name: Adam Smith
Title: Chief Executive Officer

[Signature Page to 364-Day Revolving Credit Agreement]

KKR CORPORATE LENDING (UK) LLC, as a
Borrower

By: /s/ Adam Smith

Name: Adam Smith

Title: Chief Executive Officer

[Signature Page to 364-Day Revolving Credit Agreement]

MIZUHO BANK, LTD.,
as Administrative Agent and as a Lender

By: /s/ Donna DeMagistris
Name: Donna DeMagistris
Title: Executive Director

[Signature Page to 364-Day Revolving Credit Agreement]

EXECUTION VERSION

CERTAIN INFORMATION, IDENTIFIED BY, AND REPLACED WITH, A MARK OF “[]” HAS BEEN EXCLUDED FROM THIS DOCUMENT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.**

CREDIT AGREEMENT

Dated as of May 7, 2024

among

GLOBAL ATLANTIC LIMITED (DELAWARE),
as Holdings,

GLOBAL ATLANTIC (FIN) COMPANY,
as Borrower,

THE GUARANTORS PARTY HERETO,
as Guarantors,

WELLS FARGO BANK, N.A.,
as Administrative Agent,

and

THE LENDERS PARTY HERETO

WELLS FARGO SECURITIES, LLC,
RBC CAPITAL MARKETS
and
U.S. BANK NATIONAL ASSOCIATION,
as Joint Lead Arrangers and Joint Bookrunners

ROYAL BANK OF CANADA
and
U.S. BANK NATIONAL ASSOCIATION,

as Syndication Agents

BMO HARRIS BANK N.A.,
THE BANK OF NOVA SCOTIA,
JPMORGAN CHASE BANK, N.A.,
PNC BANK, NATIONAL ASSOCIATION,
BNP PARIBAS USA, INC.
and
CITIBANK, N.A.,
as Documentation Agents

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Exhibit J	Form of Joinder Agreement

CREDIT AGREEMENT

This CREDIT AGREEMENT is entered into as of May 7, 2024 by and among GLOBAL ATLANTIC LIMITED (DELAWARE), a Delaware corporation ("**GALD**"), GLOBAL ATLANTIC (FIN) COMPANY, a Delaware corporation and a wholly-owned subsidiary of Holdings (the "**Borrower**"), certain other subsidiaries of Holdings from time to time as Guarantors hereunder, the lenders from time to time party to this Agreement (collectively, the "**Lenders**"; individually, each, a "**Lender**"), WELLS FARGO BANK, N.A., as administrative agent for the Lenders (the "**Administrative Agent**") and the other agents and arrangers party hereto.

RECITALS:

WHEREAS, the Borrower has requested that the Lenders establish a revolving credit facility for the Borrower, and the Lenders are willing to establish a revolving credit facility for the Borrower upon the terms and conditions set forth herein;

WHEREAS, the Borrower intends to use the proceeds of the revolving credit facility for working capital and general corporate purposes of Holdings and the Subsidiaries;

WHEREAS, the Guarantor party to this Agreement on the Effective Date is willing to guarantee the obligations of the Borrower, as provided in the Guarantee Agreement; and

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

ARTICLE 1

DEFINITIONS

Section 1.01 *Certain Defined Terms.* The following terms have the following meanings:

"**Adjusted Term SOFR**" means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.

"**Administrative Agent**" has the meaning specified in the introduction to this Agreement, and includes its successors and permitted assigns in such capacity.

"**Administrative Agent's Office**" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 10.02 or such other address or account as the Administrative Agent may from time to time specify.

"**Affected Financial Institution**" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"**Affiliate**" means, as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with, such Person. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the

power (a) to vote 10% or more of the securities (on a fully diluted basis) having ordinary voting power for the election of directors or managing general partners of the other Person or (b) to direct or cause the direction of the management and policies of the other Person, whether through the ownership of voting securities, membership interests, by contract or otherwise.

“Agent-Related Persons” means the initial Administrative Agent and any successor Administrative Agent, in each case together with their respective Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Persons and Affiliates.

“Agents” means the Administrative Agent, the Arrangers, the Bookrunners, the Syndication Agents and the Documentation Agents.

“Agreement” means this Credit Agreement, as amended, restated, modified or supplemented from time to time in accordance with the terms hereof.

“Annual Statement” means the annual statutory financial statement of any Insurance Subsidiary required to be filed with the insurance commissioner (or similar authority) of its jurisdiction of incorporation, which statement shall be in the form required by such Insurance Subsidiary’s jurisdiction of incorporation or, if no specific form is so required, in the form of financial statements permitted by such insurance commissioner (or such similar authority) to be used for filing annual statutory financial statements and shall contain the type of information permitted or required by such insurance commissioner (or such similar authority) to be disclosed therein, together with all exhibits or schedules filed therewith.

“Anti-Corruption Laws” means all laws, rules and regulations of any jurisdiction applicable to the Credit Parties from time to time concerning or relating to bribery or corruption, including the U.S. Foreign Corrupt Practices Act, the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), in each case, as may be amended from time to time.

“Anti-Money Laundering Laws” means all laws, rules, and regulations of any jurisdiction applicable to the Credit Parties from time to time concerning or related to money laundering or terrorism financing, or any predicate crime to money laundering, or any financial record keeping and reporting requirements related thereto, including but not limited to the USA PATRIOT Act, in each case, as may be amended from time to time.

“Applicable Margin”, “Applicable Revolving Commitment Fee Percentage” and “Applicable Non-Collateralized Letter of Credit Fee” mean a percentage, per annum, determined by reference to the Debt Ratings in effect from time to time, as set forth in the table below:

Pricing Level	Debt Ratings S&P / Moody's / Fitch	Applicable Non- Collateralized Letter of Credit Fee	Applicable Margin for Base Rate Loans	Applicable Margin for SOFR Loans	Applicable Revolving Commitment Fee Percentage
1	≥ A-/A3/A-	[**]%	[**]%	1.125%	0.125%
2	BBB+/Baa1/BBB+	[**]%	[**]%	[**]%	[**]%
3	BBB/Baa2/BBB	[**]%	[**]%	[**]%	[**]%
4	BBB-/Baa3/BBB-	[**]%	[**]%	[**]%	[**]%
5	≤ BB+/Ba1/BB+	[**]%	[**]%	1.875%	0.300%

Initially, the Applicable Margin, Applicable Revolving Commitment Fee Percentage and Applicable Non-Collateralized Letter of Credit Fee shall be set at Pricing Level 3. No change in the Applicable Margin, Applicable Revolving Commitment Fee Percentage or Applicable Non-Collateralized Letter of Credit Fee shall be effective until one (1) Business Day after the date of the public announcement of a change in any of the Debt Ratings. Within one (1) Business Day of the date of the public announcement of a change in any of the Debt Ratings, the Administrative Agent shall give the Borrower and each Lender notice of the Applicable Margin, the Applicable Revolving Commitment Fee Percentage and the Applicable Non-Collateralized Letter of Credit Fee in effect from such date.

“Approved Electronic Communications” means any notice, demand, communication, information, document or other material that any of Holdings or any of its Subsidiaries provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein, which is distributed to the Administrative Agent or Lenders by means of electronic communications pursuant to Section 10.02(b).

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means, collectively, WFS, RBCCM and US Bank.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee substantially in the form of Exhibit D or in another form reasonably acceptable to the Administrative Agent.

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

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any

*[**]=Certain information contained in this document, marked by “[**]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 3.05(d).

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means (a) 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, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"Base Rate" means, at any time, a fluctuating rate *per annum* equal to the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 0.50% *per annum* and (c) Adjusted Term SOFR for a one-month tenor in effect on such day plus 1.00% *per annum*; each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, the Federal Funds Rate or Adjusted Term SOFR, as applicable (provided that clause (c) shall not be applicable during any period in which Adjusted Term SOFR is unavailable or unascertainable). Notwithstanding the foregoing, in no event shall the Base Rate be less than 0%.

"Base Rate Loan" means a Revolving Loan that bears interest based on the Base Rate.

"Base Rate Term SOFR Determination Day" has the meaning assigned thereto in the definition of "Term SOFR".

"Benchmark" means, initially, the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.05(a).

"Benchmark Replacement" means, with respect to any Benchmark Transition Event, the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower 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 or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated syndicated credit facilities and (b) the related Benchmark Replacement Adjustment; provided that, if such Benchmark

Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor 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 Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) 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 or (b) 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 Dollar-denominated syndicated credit facilities.

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

(a) in the case of clause (a) or (b) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein and (ii) 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

(b) in the case of clause (c) 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 non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (a) or (b) 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 the occurrence of one or more of the following events with respect to the then-current Benchmark:

(a) 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);

(b) 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 FRB, the Federal Reserve Bank of New York, 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), 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

(c) 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 not, or as of a specified future date will not 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 Transition Start Date**” means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“**Benchmark Unavailability Period**” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.05(a) and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.05(a).

“**Beneficial Ownership Certification**” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

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

“**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 and subject to 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”.

"Bookrunners" means, collectively, WFS, RBCCM and US Bank.

"Borrower" has the meaning specified in the introduction to this Agreement.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrowing Date" means the date of a Credit Extension (other than a conversion or continuation of a Loan).

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the laws of, or are in fact closed in, the state where the Administrative Agent's Office is located or New York City.

"Capital Adequacy Regulation" means any guideline, request or directive of any central bank or other Governmental Authority, or any other law, rule or regulation, whether or not having the force of law, in each case, regarding capital adequacy or liquidity of any bank or of any corporation controlling a bank.

"Capital Stock" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all shares (of whatever class) in the capital of a Bermuda exempted company, any and all equivalent ownership interests in a Person (other than a corporation), including partnership interests and membership interests, and any and all warrants, rights or options to purchase any of the foregoing; *provided* that, for the avoidance of doubt, Capital Stock shall not be deemed to include debt convertible or exchangeable for any of the foregoing.

"Capitalized Lease Liabilities" means, with respect to any Person, all monetary obligations of such Person under any leasing or similar arrangement that, in accordance with GAAP, would be classified as a capitalized lease, *provided* that, for purposes of this Agreement, the amount of such obligations shall be the capitalized amount thereof, determined in accordance with GAAP, and the stated maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty. For purposes of this definition, whenever in this Agreement it is necessary to determine whether a lease is a capital lease or an operating lease, such determination shall be made on the basis of GAAP as in effect on January 1, 2015.

"Cash" means Dollars and any overnight or other investment money market funds of the Custodian with which a Collateralized L/C Collateral Account is maintained (or an Affiliate of such Custodian).

"Cash Collateralize" means, in respect of an Obligation, to provide and pledge (as a first priority perfected security interest) cash collateral in Dollars, at a location and pursuant to documentation in form and substance satisfactory to the Administrative Agent (and **"Cash Collateralization"** and **"Cash Collateralized"** have corresponding meanings). **"Cash Collateral"** shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

“Cash Management Obligations” means obligations owed in respect of any overdraft and related liabilities arising from treasury, depository and cash management services or any automated clearing house transfers of funds or in respect of any credit card or similar services.

“CBOs” means notes or other instruments (other than CMOs) secured by collateral consisting primarily of debt securities and/or other types of debt obligations, including loans.

“CERCLA” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

“Change of Control” means (a) from and after the IPO, any acquisition, directly or indirectly, by any person or group (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, of beneficial ownership (within the meaning of Rule 13d-3 of the SEC under the Exchange Act) of a percentage, on a fully diluted basis, of the outstanding shares of Voting Stock of the IPO Entity that is both (i) equal to or greater than 35% and (ii) greater than the percentage, on a fully diluted basis, of the outstanding shares of Voting Stock of the IPO Entity that is beneficially owned, directly or indirectly, by the Permitted Holders; (b) from and after the IPO, any person or group (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than the Permitted Holders, shall obtain, directly or indirectly, the power (whether or not exercised) to elect a majority of the members of the board of directors (or similar governing body) of the IPO Entity (other than additional direct power of GAFGL to elect a majority of the members of the board of directors (or similar governing body) of GALD); (c)(i) prior to the IPO, the Permitted Holders shall cease to beneficially own and control, directly or indirectly, at least 50.1% on a fully diluted basis of the outstanding shares of Voting Stock of GALD or (ii) Holdings shall cease to beneficially own and control, directly or indirectly, 100% on a fully diluted basis of the outstanding shares of Voting Stock of the Borrower; or (d) the occurrence of a “change of control” (howsoever defined) in any instrument governing any Indebtedness of Holdings or its Restricted Subsidiaries with an aggregate outstanding amount in excess of \$250,000,000 that constitutes an “event of default” under such other debt instrument or would constitute an “event of default” after notice or passage of time under such other debt instrument. For the avoidance of doubt, (A) the IPO will not constitute a Change of Control and (B) no change in ownership or control of KKR Management LLP, or indirect change in ownership or control of KKR solely as a result of a change in ultimate ownership or control of KKR Management LLP, is or will constitute a Change of Control.

“Class” means (i) with respect to Lenders, Lenders having Revolving Exposure, and (ii) with respect to Loans, Revolving Loans. Until the consummation of an Extension pursuant to Section 2.13, there will be only one Class hereunder.

“CMOs” means notes or other instruments secured by collateral consisting primarily of mortgages, mortgage-backed securities and/or other types of mortgage-related obligations.

“Code” means the Internal Revenue Code of 1986, and regulations promulgated thereunder.

“Collateralized L/C Aggregate Collateral Amount” means, subject to the immediately succeeding paragraph, the sum of the Collateralized L/C Collateral Amounts of all Cash and Eligible Securities that are held in Collateralized L/C Collateral Accounts and subject to a first priority perfected security interest in favor of the Administrative Agent securing the Obligations with respect to Collateralized Letters of Credit.

Notwithstanding the foregoing, (a) if the aggregate fair market value of Eligible Securities of any single corporate issuer (or any Affiliate thereof) that are held in Collateralized L/C Collateral Accounts represents more than 10% of the aggregate fair market value of all Cash and Eligible Securities that are held in Collateralized L/C Collateral Accounts, the excess over 10% will be excluded from the Collateralized L/C Aggregate Collateral Amount, (b) the weighted average rating of all Agency Securities (as described in Appendix B) constituting Eligible Securities and held in Collateralized L/C Collateral Accounts must at all times be at least (i) AA+ from S&P or (ii) Aa1 from Moody's, (c) if the aggregate fair market value of Asset-Backed Securities (as described in Appendix B) (including CMBS) held in Collateralized L/C Collateral Accounts represents more than 20% of the aggregate value of all Cash and Eligible Securities held in Collateralized L/C Collateral Accounts, the excess over 20% will be excluded from the Collateralized L/C Aggregate Collateral Amount, (d) if the aggregate fair value of Asset-Backed Securities constituting CMBS held in Collateralized L/C Collateral Accounts represents more than 10% of the aggregate value of all Cash and Eligible Securities held in Collateralized L/C Collateral Accounts, the excess over 10% will be excluded from the Collateralized L/C Aggregate Collateral Amount, (e) if the aggregate value of OECD Government Securities (as described in Appendix B) held in Collateralized L/C Collateral Accounts represents more than 20% of the aggregate value of all Cash and Eligible Securities held in Collateralized L/C Collateral Accounts, the excess over 20% will be excluded from the Collateralized L/C Aggregate Collateral Amount, and (f) if the aggregate value of Supranational Securities (as described in Appendix B) held in Collateralized L/C Collateral Accounts represents more than 20% of the aggregate value of all Cash and Eligible Securities held in Collateralized L/C Collateral Accounts, the excess over 20% will be excluded from the Collateralized L/C Aggregate Collateral Amount. For the avoidance of doubt, (x) any Cash or Eligible Securities that are not held in Collateralized L/C Collateral Accounts or subject to a first priority perfected security interest in favor of the Administrative Agent securing the Obligations with respect to Collateralized Letters of Credit or (y) any Eligible Securities for which an ISIN has not been issued, in each case, will not be included in the Collateralized L/C Aggregate Collateral Amount.

“Collateralized L/C Collateral” means, collectively, all property of whatever kind and nature subject or purported to be subject from time to time to a Lien under any Collateralized L/C Security Document.

“Collateralized L/C Collateral Account” means any deposit account or securities account maintained by the Borrower with a Custodian in respect of which a Collateralized L/C Security and Control Agreement is in effect.

“Collateralized L/C Collateral Amount” means, at any time, with respect to Cash or any category of Eligible Securities, the product of (a)(i) the amount of such Cash or (ii) the fair market value of such Eligible Securities, in each case, that is held in a Collateralized L/C Collateral

Account at such time and subject to a first priority perfected security interest in favor of the Administrative Agent securing the Obligations with respect to Collateralized Letters of Credit, *multiplied by* (b) the Collateralized L/C Collateral Rate therefor, in each case, determined as of the close of business on the immediately preceding Business Day. The fair market value of Eligible Securities will be determined by reference to a generally recognized source selected by the applicable Custodian (or the most recent bid quotation from such source). With respect to any Eligible Securities having a fair market value denominated in a currency other than Dollars, the Dollar equivalent thereof (using a method selected by the applicable Custodian) will be used for purposes of determining the value of such Eligible Securities.

"Collateralized L/C Collateral Certificate" means a certificate substantially in the form of Exhibit I executed by a Responsible Officer of the Borrower.

"Collateralized L/C Collateral Deficiency" has the meaning specified in Section 2.02(l)(vi).

"Collateralized L/C Collateral Deficiency Correction Date" has the meaning specified in Section 2.02(l)(vi).

"Collateralized L/C Collateral Rate" means, for Cash or any category of obligation or investment specified in Appendix B in the column entitled "Cash and Eligible Securities" (other than Cash, the **Eligible Securities**), the percentage set forth opposite such category of Cash or Eligible Securities in Appendix B in the column entitled "Collateralized L/C Collateral Rate" and, in each case, subject to the term to maturity criteria set forth therein.

"Collateralized L/C Collateral Requirement" means the requirement that:

(a) the Administrative Agent shall have received a counterpart to a Collateralized L/C Security and Control Agreement with respect to each Collateralized L/C Collateral Account, duly executed and delivered by the Borrower and the Custodian with which such Collateralized L/C Collateral Account is maintained;

(b) all documents and instruments, including Uniform Commercial Code financing statements, required by law or reasonably requested by the Administrative Agent to be filed, registered or recorded to create the Liens intended to be created by the Collateralized L/C Security Documents and perfect or record such Liens to the extent, and with the priority, required by the Collateralized L/C Security Documents, shall have been filed, registered or recorded or delivered to the Administrative Agent for filing, registration or recording;

(c) the Borrower shall have obtained all consents and approvals required to be obtained by it in connection with the execution and delivery of all Collateralized L/C Security Documents to which it is a party, the performance of its obligations thereunder and the granting of the Liens granted by it thereunder; and

(d) the Borrower shall have taken all other action required under the Collateralized L/C Security Documents to perfect, register and/or record the Liens granted by it thereunder.

“Collateralized L/C Disbursement” means a payment made by a Lender pursuant to a Collateralized Letter of Credit.

“Collateralized L/C Liens” means the Liens granted or to be granted by the Borrower under the Collateralized L/C Security Documents.

“Collateralized L/C Security and Control Agreement” means, with respect to any Collateralized L/C Collateral Account, a Security and Control Agreement substantially in the form of Exhibit E-2 and duly executed and delivered by the Administrative Agent, the Borrower and the Custodian with which such Collateralized L/C Collateral Account is maintained.

“Collateralized L/C Security Documents” means the Collateralized L/C Security and Control Agreements and each other security agreement, instrument or document executed and delivered pursuant thereto or pursuant to Section 2.02(l) or Section 6.09 to secure any of the Secured Obligations (as defined in the Collateralized L/C Security and Control Agreements).

“Collateralized L/C Security Invalidity” means, at any time, (a) any provision of any Collateralized L/C Security Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all Obligations, shall cease to be in full force and effect or (b) any Lien purported to be created under any Collateralized L/C Security Document that is required to be in effect at such time (in accordance with the Collateralized L/C Collateral Requirement) shall cease to be, or shall be asserted by any Credit Party or any Restricted Subsidiary of Holdings not to be, a valid and perfected Lien on any Collateralized L/C Collateral covered thereby, with the priority required by the applicable Collateralized L/C Security Document (except as a result of the Administrative Agent’s failure to maintain possession of any stock certificates, promissory notes or other documents or possessory collateral delivered to it under any Collateralized L/C Security Document).

“Collateralized L/C True-Up Amount” means, as of any date of determination, with respect to each Letter of Credit that is a Collateralized Letter of Credit, an amount equal to the difference between (a) the total letter of credit fees referred to in Section 2.08(a)(ii) that would have accrued in respect of such Letter of Credit (if such Letter of Credit was a Non-Collateralized Letter of Credit) from the date of issuance thereof to such date and (b) the total letter of credit fees referred to in Section 2.08(a)(iii) that have accrued in respect of such Letter of Credit from the date of issuance thereof to such date.

“Collateralized Letter of Credit” means a Letter of Credit the Obligations with respect to which are secured by a first priority perfected security interest in favor of the Administrative Agent in all Cash and Eligible Securities that are held in the Collateralized L/C Collateral Accounts.

“Collateralized Letter of Credit Fee” means **[**]**% *per annum*.

“Collateralized Letter of Credit Usage” means, as at any date of determination, the sum of (i) the maximum aggregate amount which is, or at any time thereafter may become, available

*[**]=Certain information contained in this document, marked by “[**]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

for drawing under all Collateralized Letters of Credit then outstanding *plus* (ii) the aggregate amount of all Collateralized L/C Disbursements made by the Lenders and not theretofore reimbursed by or on behalf of the Borrower.

“Commitment Letter” means that certain commitment letter, dated as of March 28, 2024, by and among the Borrower, Wells Fargo, WFS, RBC, RBCCM and US Bank, as amended, restated, supplemented or otherwise modified from time to time.

“Commitment Termination Date” means the earliest to occur of (i) the fifth anniversary of the Effective Date, (ii) the date the Revolving Commitments are permanently reduced to zero pursuant to Section 2.06, and (iii) the date of the termination of the Revolving Commitments pursuant to Section 8.02.

“Compensation Period” has the meaning specified in Section 2.10(c)(ii).

“Compliance Certificate” means a certificate substantially in the form of Exhibit A executed by a Responsible Officer of Holdings.

“Confirming Bank” means, as provided in Section 2.14 with respect to any Non-NAIC Approved Bank, any Person (including any Lender) that is an NAIC Approved Bank and that has agreed in a written agreement to confirm Letters of Credit with respect to which such Non-NAIC Approved Bank is an issuer, which agreement shall be in form and substance reasonably satisfactory to the Administrative Agent (such an agreement, a **“Confirming Bank Agreement”**).

“Conforming Changes” means, with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “U.S. Government Securities Business Day” and “Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 3.04 and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and 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 any such rate 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).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Contingent Obligation” means, without duplication, any agreement, undertaking or arrangement by which any Person guarantees, endorses or otherwise becomes or is contingently liable upon (by direct or indirect agreement, contingent or otherwise, to provide funds for payment, to supply funds to, or otherwise to invest in, a debtor, or otherwise to assure a creditor against loss) the debt, obligation or other liability of any other Person (other than by endorsements of instruments in the course of collection or indemnities or other similar obligations under contracts entered into in the ordinary course of business and not in respect of Indebtedness or the issuance of Capital Stock), or guarantees the payment of dividends or other distributions upon the shares of any other Person; *provided* that the obligations of any Person under or in connection with insurance policies, under or in connection with Reinsurance Agreements, or in connection with Investments of Insurance Subsidiaries or Subsidiaries of Insurance Subsidiaries permitted by the applicable Department shall not be deemed Contingent Obligations of such Person. The amount of any Contingent Obligation of any Person shall (subject to any limitation set forth therein) 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 Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith.

“Conversion/Continuation Notice” means a notice of conversion or continuation of a Revolving Loan substantially in the form of Exhibit C-3.

“Covered Party” has the meaning specified in Section 10.24(a).

“Credit Extension” means (a) the making, conversion or continuation of a Loan or (b) the issuance, renewal or extension of a Letter of Credit.

“Credit Parties” means the Borrower and the Guarantors.

“Custodian” means (a) US Bank and (b) any other bank or financial institution that is (i)(A) with respect to any deposit account, a “bank” within the meaning of Section 9-102(a)(8) of the Uniform Commercial Code, and (B) with respect to any securities account, a “securities intermediary” within the meaning of Section 8-102(a)(14) of the Uniform Commercial Code, (ii) located in the United States of America and (iii) satisfactory to the Administrative Agent.

“CwA” means Commonwealth Annuity and Life Insurance Company, a Massachusetts life insurance company.

“Debt Ratings” means, as of any date of determination, the public long-term issuer credit ratings as determined by at least two of S&P, Moody’s and Fitch of any Credit Party; *provided* that (a) if more than one Credit Party has Debt Ratings, then the Debt Ratings of the Credit Party with the highest Debt Rating shall apply, (b) if the respective Debt Ratings of the applicable Credit Party issued by the foregoing rating agencies differ by one level, then the Pricing Level for the higher of such Debt Ratings shall apply (with the Debt Ratings for Pricing Level 1 being the highest and the Debt Ratings for Pricing Level 5 being the lowest) and (c) if there is a split in Debt Ratings of the applicable Credit Party of more than one level, then the Pricing Level that is one level higher than the Pricing Level of the lower Debt Rating shall apply.

“Debt to Total Capitalization Ratio” means, as of any date of determination, without duplication, the ratio of (a) the principal amount of, and accrued but unpaid interest on, all consolidated Indebtedness (other than Operating Indebtedness, Indebtedness in respect of undrawn letters of credit, Non-Recourse Insurance Subsidiary Indebtedness or Intercompany Indebtedness) of any Person and its Restricted Subsidiaries outstanding on such date to (b) Total Capitalization of such Person and its Restricted Subsidiaries on such date.

“Debtor Relief Laws” means the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally, including state or other insurance insolvency laws.

“Default” means any event or circumstance that constitutes an Event of Default or that, with the giving of notice, the lapse of time, or both, would (if not cured or otherwise remedied during such time) constitute an Event of Default.

“Defaulting Lender” means, subject to Section 2.12(b), any Lender that (a) has failed to (i) fund all or any portion of its Revolving Loans within two (2) Business Days of the date such Revolving Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (which conditions precedent, together with the applicable default, if any, shall be specifically identified in such writing) has not been satisfied, or (ii) pay 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, (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lenders’ 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 the applicable default, if any, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent or the Borrower that it will comply with its prospective funding obligations hereunder (*provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent), (d) the Administrative Agent has received notification that such Lender is, or has a direct or indirect parent company that is (i) insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors or (ii) the subject of a bankruptcy, insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, intervenor or sequestrator or the like has been appointed for such Lender or its direct or indirect parent company, or such Lender or its direct or indirect parent company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment, (e) ceases to be a NAIC Approved Bank and has failed to comply with its obligations under Section 2.14, or (f) is subject of any Bail-In Action; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or

acquisition of any Capital Stock 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 or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

“Department” means, with respect to any Insurance Subsidiary, the Governmental Authority of such Insurance Subsidiary’s state or other jurisdiction of domicile with which such Insurance Subsidiary is required to file its Annual Statement.

“Designated Subsidiary” means (a) the Borrower, (b) each Restricted Subsidiary of Holdings that directly or indirectly owns any Capital Stock of the Borrower and (c) each Restricted Subsidiary of Holdings (other than an Insurance Subsidiary) that (i) as of the Effective Date, has incurred, created, assumed, suffered to exist, guaranteed or at any time become directly or indirectly liable with respect to, any Indebtedness in an aggregate principal amount exceeding \$75,000,000 (other than Operating Indebtedness, Indebtedness in respect of undrawn letters of credit, Non-Recourse Insurance Subsidiary Indebtedness or Intercompany Indebtedness), or (ii) after the Effective Date, incurs, creates, assumes, suffers to exist, guarantees or at any time becomes directly or indirectly liable with respect to, any Indebtedness (other than Operating Indebtedness, Indebtedness in respect of undrawn letters of credit, Non-Recourse Insurance Subsidiary Indebtedness or Intercompany Indebtedness) in an aggregate principal amount exceeding the greater of (i) \$75,000,000, and (ii) 1.00% of the Net Worth of Holdings and its consolidated Restricted Subsidiaries as at the end of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 6.01(a) or 6.01(b). Nothing contained in this definition shall be deemed to limit the ability of any Guarantor (other than Holdings) to merge, consolidate, amalgamate or sell all or substantially all of its assets in accordance with Section 6.04.

“Disposition” means the sale, assignment, leasing, transfer, contribution, conveyance, or other disposal of, any of a Person’s assets (other than cash) (including a sale and leaseback transaction and, in the case of any Restricted Subsidiary, the issuance or sale of its Capital Stock). The terms **“Dispose of”** and **“Disposed of”** shall have correlative meaning.

“Disqualified Lender” means (i) certain insurance companies that have been identified in writing by GALD to the Arrangers on or prior to March 28, 2024 (and any Affiliate thereof that is clearly identifiable as such solely on the basis of its name) and (ii) certain additional insurance companies or insurance company holding companies that have become competitors or clients of the Borrower or any Guarantor or any of their Subsidiaries after the Effective Date identified in writing by Holdings to the Arrangers and the Administrative Agent (and any Affiliate thereof that is clearly identifiable as such solely on the basis of its name), *provided* that any Person (x) that is a Lender or that enters into a binding agreement to assume rights and obligations under this Agreement or (y) that is a Participant or that enters into a binding agreement to purchase a participation in all or a portion of a Lender’s rights and/or obligations under this Agreement and, in the case of either clause (x) or (y), subsequently becomes a Disqualified Lender (but was not a Disqualified Lender on the Effective Date or at the time it became a Lender or a Participant or

entered into an agreement of such type, as applicable) shall be deemed to not be a Disqualified Lender hereunder. The list of Disqualified Lenders shall be made available to all Lenders by posting such list to IntraLinks or another similar electronic system.

“Documentation Agents” means, collectively, BMO Harris Bank N.A., The Bank of Nova Scotia, JPMorgan Chase Bank, N.A., PNC Bank, National Association, BNP Paribas USA, Inc. and Citibank, N.A. and their respective successors and assigns in such capacity.

“Dollars,” “dollars” and “\$” each mean lawful money of the United States.

“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.

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

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

“Effective Date” means May 7, 2024, or, if later, the first date all the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 10.01.

“Electronic Signature” means an electronic sound, symbol or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

“Eligible Assignee” means (a) a Lender; (b) an Affiliate of a Lender; (c) an Approved Fund; and (d) any other Person (other than a Natural Person) approved by (i) the Administrative Agent and (ii) unless an Event of Default under Section 8.01(a), (f) or (g) has occurred and is continuing, the Borrower (each such approval not to be unreasonably withheld or delayed); *provided* that (x) notwithstanding the foregoing, “Eligible Assignee” shall not include Holdings, the Borrower or any of its Affiliates or any Disqualified Lender, (y) each Eligible Assignee must be a NAIC Approved Bank and (z) the Borrower shall be deemed to have approved an assignee unless it shall object thereto by written notice to the Administrative Agent within fifteen (15) Business Days after having received notice thereof.

“Eligible Securities” has the meaning set forth in the definition of “Collateralized L/C Collateral Rate”.

“Entitled Person” has the meaning set forth in Section 10.22(b).

“Environment” means ambient air, indoor air, surface water, groundwater, drinking water, soil, surface and subsurface strata, and natural resources such as wetlands, flora and fauna.

“Environmental Laws” means any and all federal, state, local and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or other governmental restrictions relating to the environment or to emissions, discharges or releases of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes into the environment including, without limitation, ambient air, surface water, ground water or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants, petroleum or petroleum products, chemicals or industrial, toxic or hazardous substances or wastes or the clean-up or other remediation thereof.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of remediation, fines, penalties or indemnities), of Holdings, any other Credit Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage or treatment of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974 and the regulations promulgated thereunder.

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

“ERISA Event” means (a) a Reportable Event with respect to a Single Employer Pension Plan; (b) with respect to any Single Employer Pension Plan, the failure to satisfy the minimum funding standard under Sections 412 or 430 of the Code and Sections 302 or 303 of ERISA, whether or not waived, the failure to make by its due date a required installment under Section 430(j) of the Code or Section 303 of ERISA with respect to any Single Employer Pension Plan or the failure to make a required contribution to a Multiemployer Plan; (c) a withdrawal by any member of the ERISA Group from a Single Employer Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations which is treated as such a withdrawal under Section 4062(e) of ERISA; (d) a complete or partial withdrawal by any member of the ERISA Group from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent; (e) the filing of a notice of intent to terminate, the treatment of a plan amendment as a termination under Section 4041 or 4041A of ERISA or the commencement of proceedings by the PBGC to terminate a Single Employer Pension Plan or Multiemployer Plan; (f) an event or condition that would reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Single Employer Pension Plan

or Multiemployer Plan; (g) the imposition of any liability under Title IV of ERISA, other than required plan contributions and PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any member of the ERISA Group; (h) the engagement by any member of the ERISA Group in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; (i) a Multiemployer Plan is determined to be in “critical” or “endangered” status under Section 432 of the Code or Section 305 of ERISA, or, with respect to any Single Employer Pension Plan, a determination that it is “at risk” under Section 430 of the Code or Section 303 of ERISA; or (j) the imposition of a Lien under Section 430(k) of the Code or Section 303(k) or 4068 of ERISA.

“**ERISA Group**” means collectively, Holdings, each Restricted Subsidiary and each ERISA Affiliate.

“**Erroneous Payment**” has the meaning assigned thereto in Section 9.14(a).

“**Erroneous Payment Deficiency Assignment**” has the meaning assigned thereto in Section 9.14(d).

“**Erroneous Payment Impacted Class**” has the meaning assigned thereto in Section 9.14(d).

“**Erroneous Payment Return Deficiency**” has the meaning assigned thereto in Section 9.14(d).

“**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.

“**Event of Default**” has the meaning specified in Section 8.01.

“**Exchange Act**” means the Securities Exchange Act of 1934 and the regulations promulgated thereunder.

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“**Excluded Taxes**” means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of any Credit Party under any Loan Document, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any

*[**]=Certain information contained in this document, marked by “[**]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender (i) (other than an assignee pursuant to a request by the Borrower under Section 3.07 or 10.14) any United States federal withholding Tax that is imposed on amounts payable to such Lender under any laws in effect at the time such Lender becomes a party hereto (or designates a new lending office), except to the extent that such Lender (or its assignor, if any) was entitled, immediately prior to the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding Tax pursuant to Section 3.01(a) or (ii) any Tax that is attributable to such Lender's failure to comply with Section 3.01(e) and (c) any United States federal withholding Tax that is imposed pursuant to FATCA.

"Existing Credit Agreement" means the Credit Agreement dated as of August 4, 2021 (as amended, restated, amended and restated, modified or supplemented, waived or otherwise modified from time to time prior to the Effective Date), by and among GALD (formerly Global Atlantic Financial Limited, an exempted company incorporated and existing under the laws of Bermuda), the Borrower, the guarantors party thereto, the lenders party thereto and Wells Fargo, as the administrative agent.

"Existing Revolving Commitments" has the meaning specified in Section 2.13(c)(ii).

"Existing Revolving Loans" has the meaning specified in Section 2.13(c)(ii).

"Extended Revolving Commitments" has the meaning specified in Section 2.13(c)(ii).

"Extended Revolving Loans" has the meaning specified in Section 2.13(c)(ii).

"Extended Termination Date" has the meaning specified in Section 2.13(a).

"Extension" has the meaning specified in Section 2.13(a).

"Extension Amendment" has the meaning specified in Section 2.13(f).

"Extension Offer" has the meaning specified in Section 2.13(a).

"Facility" means, collectively, the Revolving Loans and Revolving Commitments therefor.

"FATCA" means current Sections 1471 through 1474 of the Code and any amended or successor version that is substantively comparable and not materially more onerous to comply with (including any current or future United States Treasury Regulations or other official administrative guidance promulgated thereunder), any agreements entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such sections of the Code.

"Federal Funds Rate" means, for any day, the greater of (i) the rate calculated by the Federal Reserve Bank of New York based on such day's Federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set

forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the Federal funds effective rate and (ii) 0%; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"Fee Letter" means any fee letter agreement entered into pursuant to Section 2.08(d).

"Fiscal Quarter" means any fiscal quarter of a Fiscal Year.

"Fiscal Year" means any period of twelve consecutive calendar months ending on December 31.

"Fitch" means Fitch Ratings Limited, together with any Person succeeding thereto by merger, consolidation or acquisition of all or substantially all of its assets, including substantially all of its business of rating securities.

"Floor" means a rate of interest equal to 0%.

"Foreign Lender" means any Lender that is not a "United States Person" within the meaning of Section 7701(a)(30) of the Code.

"Foreign Subsidiary" means a Subsidiary (which may be a corporation, limited liability company, partnership or other legal entity) organized under the laws of a jurisdiction outside the United States.

"FRB" means the Board of Governors of the Federal Reserve System and any Governmental Authority succeeding to any of its principal functions.

"Fund" means any Person (other than a Natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"GA Bermuda" means Global Atlantic Re Limited, a Bermuda exempted company registered under the Insurance Act 1978 of Bermuda as a Class 3A and long-term Class C insurer.

"GAAP" means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the U.S. accounting profession), that are applicable to the circumstances as of the date of determination.

“GAFGL” means The Global Atlantic Financial Group LLC, a limited liability company incorporated and existing under the laws of Bermuda.

“GAFLL” means Global Atlantic Financial Life Limited, an exempted company incorporated and existing under the laws of Bermuda.

“GALD” has the meaning specified in the introduction to this Agreement.

“Governmental Act” means any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any entity exercising executive, legislative, judicial or regulatory functions of or pertaining to government, including any board of insurance, insurance department or insurance commissioner.

“Guarantee” has the meaning specified in the Guarantee Agreement.

“Guarantee Agreement” means the Guarantee Agreement, dated as of the Effective Date, among the Guarantors and the Administrative Agent, substantially in the form of Exhibit E-1.

“Guarantee Requirement” means the requirement that the Administrative Agent shall have received from Holdings, the Borrower and each other Designated Subsidiary either (a) a counterpart to this Agreement and the Guarantee Agreement, duly executed and delivered on behalf of such Person, or (b) in the case of any Person that becomes a Designated Subsidiary after the Effective Date, a supplement to this Agreement and the Guarantee Agreement, in the form specified in the Guarantee Agreement or otherwise reasonably acceptable to the Administrative Agent, duly executed and delivered on behalf of such Designated Subsidiary.

“Guaranteed Obligations” has the meaning specified in the Guarantee Agreement.

“Guaranteed Parties” has the meaning specified in the Guarantee Agreement.

“Guaranteed Swap Contract” means any Swap Contract entered into by a Credit Party with any Person that, at the time such Swap Contract is entered into, is the Administrative Agent, any Arranger, any Bookrunner or any Lender (or an Affiliate of the Administrative Agent, any Arranger, any Bookrunner or any Lender) to hedge interest rate risk of such Credit Party with respect to the Facility.

“Guarantors” means each of Holdings and each other Designated Subsidiary that is a party to the Guarantee Agreement. Nothing contained in this definition shall be deemed to limit the ability of any Guarantor (other than Holdings) to merge, consolidate, amalgamate or sell all or substantially all of its assets in accordance with Section 6.04.

“Hazardous Material” means: (a) any “hazardous substance,” as defined by CERCLA; (b) any “hazardous waste,” as defined by the Resource Conservation and Recovery Act; (c) petroleum and any petroleum product; or (d) any other pollutant, contaminant, chemical,

material, waste or substance in any form that is subject to regulation or, as to which, liability or standards of conduct can be imposed under any Environmental Law.

“Historical Financial Statements” means, as of the Effective Date, the audited consolidated balance sheets and the related consolidated statements of income, stockholders’ equity and cash flows of Holdings for the Fiscal Years ended December 31, 2022 and December 31, 2023.

“Historical Statutory Statements” means the December 31, 2023 Annual Statement of each Insurance Subsidiary that is a Restricted Subsidiary.

“Holdings” means (a) prior to the IPO, GALD, and (b) upon and after the IPO, the IPO Entity.

“Hybrid Securities” means, at any time, trust preferred securities, deferrable interest subordinated debt securities, mandatory convertible debt or other hybrid securities issued by the Borrower or any Restricted Subsidiary that is accorded at least some equity treatment by S&P or Moody’s at the time of issuance thereof.

“Immaterial Subsidiary” means any Subsidiary of Holdings (other than any Guarantor or the Borrower) if (a) the Net Worth of such Subsidiary and its consolidated Restricted Subsidiaries as at the end of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 6.01(a) or 6.01(b) was equal to or less than 5% of the Net Worth of Holdings and its consolidated Restricted Subsidiaries and (b) such Subsidiary has been designated in writing to the Administrative Agent by the Borrower; provided, that if at any time the aggregate amount of the Net Worth of all Immaterial Subsidiaries and their respective consolidated Restricted Subsidiaries as at the end of the most recently ended Fiscal Quarter for which financial statements have been delivered pursuant to Section 6.01(a) or 6.01(b) exceeds 10% of the Net Worth of Holdings and its consolidated Restricted Subsidiaries as of such date, then the Borrower shall designate in writing to the Administrative Agent sufficient Immaterial Subsidiaries to no longer constitute Immaterial Subsidiaries so as to eliminate such excess, and each such designated Subsidiary shall thereupon cease to be an Immaterial Subsidiary.

“Increase Amount” means, at any time, the amount equal to (a) \$250,000,000~~less~~ (b) the aggregate amount of all New Revolving Commitments effected at or prior to such time. On the Effective Date, the Increase Amount is \$250,000,000.

“Increased Amount Date” has the meaning specified in Section 2.15(a).

“Indebtedness” means, with respect to any Person, without duplication: (a) all indebtedness of such Person for borrowed money or in respect of loans or advances; (b) all indebtedness of such Person evidenced by bonds, debentures, notes or other similar instruments; (c) all indebtedness in respect of letters of credit, whether or not drawn (provided that, solely for purposes of Section 7.06, indebtedness in respect of letters of credit that are not drawn and unpaid shall not constitute “Indebtedness”), and bankers’ acceptances and letters of guaranty issued for the account or upon the application or request of such Person; (d) all Capitalized Lease Liabilities

of such Person; (e) the liabilities (if any) of such Person in respect of Swap Contracts as determined by reference to the Swap Termination Value thereof; (f) all obligations of such Person to pay the deferred purchase price of property or services that are included as liabilities in accordance with GAAP (other than accrued expenses incurred and trade accounts payable in each case in the ordinary course of business) and all obligations secured by a Lien on property owned or being purchased by such Person, but only to the extent of the lesser of the obligations secured or the value of the property to which such Lien is attached (including obligations arising under conditional sales or other title retention agreements); (g) any obligations of a partnership of the kind referred to in clauses (a) through (f) above or clause (h) or (i) below in which such Person is a general partner; (h) solely for purposes of Section 7.06, all obligations in respect of Hybrid Securities (other than Hybrid Securities (or the greatest portion thereof) that are treated as equity by S&P or Moody's) of such Person; and (i) all Contingent Obligations of such Person in connection with Indebtedness or obligations of others of the kinds referred to in clauses (a) through (h) above; *provided*, that obligations under the Tax Benefit Payment Agreement shall not constitute Indebtedness.

"Indemnified Liabilities" has the meaning specified in Section 10.05(a).

"Indemnified Persons" has the meaning specified in Section 10.05(a).

"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 the Borrower under any Loan Document, and (b) to the extent not otherwise described in clause (a) of this definition, Other Taxes.

"Insolvency Proceeding" means, with respect to any Person, (a) any case, action or proceeding with respect to such Person before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, conservation, rehabilitation, receivership, dissolution, winding-up or relief of debtors or (b) any general assignment for the benefit of creditors, composition, marshaling of assets for creditors, compromise with creditors or other similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in any case, undertaken under U.S. Federal, state or foreign law, including Title 11 of the United States Code and the Companies Act 1981 of Bermuda.

"Insurance Investments" means Investments by an Insurance Subsidiary or any Subsidiary of an Insurance Subsidiary for its investment portfolio (other than such Person's Investments in its Restricted Subsidiaries engaged in insurance lines of business) in the ordinary course of business consistent with the policies and procedures approved by the board of directors or the investment committee (or other applicable committee) of such Insurance Subsidiary or any Subsidiary of an Insurance Subsidiary.

"Insurance Subsidiary" means any Subsidiary of Holdings that is or is required to be licensed as an insurer or reinsurer.

"Intercompany Indebtedness" means Indebtedness owed by Holdings or a Restricted Subsidiary to Holdings or a Restricted Subsidiary; *provided* that all such Indebtedness of any

Credit Party owed to any Restricted Subsidiary that is not a Credit Party is unsecured and subject to the Intercompany Subordination Provisions.

"Intercompany Subordination Provisions" means the terms and conditions set forth on Exhibit G.

"Interest Payment Date" means (a) with respect to any Base Rate Loan, the last Business Day of each calendar quarter and (b) with respect to any SOFR Loan, the last day of each Interest Period applicable to the Credit Extension of which such Revolving Loan is a part; *provided* that if any Interest Period for a SOFR Loan exceeds three months, the date that falls three months after the beginning of such Interest Period and after each Interest Payment Date thereafter is also an Interest Payment Date (but in each case, subject to the definition of "Interest Period").

"Interest Period" means, with respect to any SOFR Loan, the period beginning on the date of the applicable Credit Extension and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter, as the Borrower may elect; *provided* that:

(a) if any Interest Period would otherwise end on a day that is not a Business Day, that Interest Period shall be extended to the following Business Day unless the result of such extension would be to carry such Interest Period into another calendar month, in which event such Interest Period shall end on the preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clause (c) of this definition, end on the last Business Day of the calendar month at the end of such Interest Period;

(c) no Interest Period with respect to any portion of any Class of Revolving Loans shall extend beyond such Class's Commitment Termination Date; and

(d) no tenor that has been temporarily removed from this definition pursuant to Section 3.05(d) shall be available for specification in any Loan Notice during such time that such tenor is unavailable.

For purposes hereof, the date of a Credit Extension initially shall be the date on which such Credit Extension is made and thereafter shall be the effective date of the most recent continuation of such Credit Extension.

"Interest Rate Determination Date" means, with respect to any Interest Period, the date that is two (2) Business Days prior to the first day of such Interest Period.

"Interest Type" means, when used with respect to any Revolving Loan, whether the rate of interest on such Revolving Loan is determined by reference to Adjusted Term SOFR or the Base Rate.

“Investment” means any advance, loan, extension of credit (by way of guaranty or otherwise) or capital contribution to, or purchase (including purchases financed with equity) of any Capital Stock, bonds, notes, obligations, debentures or other debt securities of, or any other investment in, any Person.

“IPO” means the consummation of the initial public offering of common Capital Stock in (a) GALD or (b) any Person (i) that is a Wholly-Owned Subsidiary of GALD immediately prior to the IPO and (ii) of which (A) the Borrower, (B) CwA, (C) GA Bermuda, (D) each Person that is an Insurance Subsidiary (other than any Unrestricted Subsidiary) of GALD immediately prior to the IPO and (E) each Person that, immediately prior to the IPO, is a Subsidiary of GALD that directly or indirectly owns any Capital Stock of any Insurance Subsidiary (other than any Unrestricted Subsidiary) of GALD (including each such Subsidiary that is itself owned by an Insurance Subsidiary (other than any Unrestricted Subsidiary) of GALD), in the case of each of clauses (A) through (E), is a Wholly-Owned Subsidiary (GALD or such Person, as the case may be, the **“IPO Entity”**), in each case pursuant to an effective registration statement filed with the SEC pursuant to the Securities Act.

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“IRS” means the Internal Revenue Service or any Governmental Authority succeeding to any of its principal functions under the Code.

“Issuance Notice” means a notice substantially in the form of Exhibit C-2.

“Joinder Agreement” means an agreement substantially in the form of Exhibit J.

“Judgment Currency” has the meaning set forth in Section 10.22(b).

“KKR” means KKR & Co. Inc.

“Knowledge” means, with respect to any Person, the actual knowledge of the facts, circumstances or condition by a Responsible Officer, including the chief financial officer, president, chief executive officer, treasurer, senior vice president or vice president, of such Person involved in negotiating the Transactions.

“Latest Maturity Date” means, at any date of determination, the latest maturity or expiration date applicable to any Revolving Loan or Revolving Commitment hereunder at such time, including the latest maturity or expiration date of any Extended Revolving Commitments or Extended Revolving Loans, in each case as extended in accordance with this Agreement from time to time.

“L/C Disbursement” means a payment made by a Lender pursuant to a Letter of Credit.

“L/C Exposure” means at any time the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time and (b) the aggregate amount of all payments or

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disbursements made by the Lenders pursuant to a Letter of Credit that have not yet been reimbursed by or on behalf of the Borrower at such time. The L/C Exposure of any Revolving Lender at any time shall equal its Pro Rata Share of the aggregate L/C Exposure at such time.

"Lenders" has the meaning specified in the introduction to this Agreement and includes any other Person that shall have become a party hereto pursuant to an Assignment and Assumption in accordance with Section 10.07, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption. As the context requires, the term "Lenders" includes each Limited Fronting Lender and each Participating Lender.

"Lending Office" means, as to any Lender, the office or offices of such Lender specified as its "Lending Office" or "Domestic Lending Office", as the case may be, in its administrative questionnaire delivered to the Administrative Agent, or such other office or offices or office of a third party or sub-agent, as appropriate, as such Lender may from time to time notify the Borrower and the Administrative Agent.

"Letter of Credit" means a standby letter of credit issued or to be issued by the Lenders pursuant to this Agreement. Each Letter of Credit will be a Syndicated Letter of Credit.

"Letter of Credit Sublimit" means \$500,000,000.

"Letter of Credit Usage" means, as at any date of determination, the sum of (i) the maximum aggregate amount which is, or at any time thereafter may become, available for drawing under all Letters of Credit then outstanding *plus* (ii) the aggregate amount of all L/C Disbursements made by the Lenders and not theretofore reimbursed by or on behalf of the Borrower.

"Lien" means any security interest, mortgage, deed of trust, pledge, hypothecation, assignment, charge or deposit arrangement, encumbrance, lien (statutory or other) or preferential arrangement of any kind or nature whatsoever in respect of any property (including those created by, arising under or evidenced by any conditional sale or other title retention agreement, the interest of a lessor under a capital lease or any financing lease having substantially the same economic effect as any of the foregoing) and any contingent or other agreement to provide any of the foregoing, but not including the interest of a lessor under an operating lease or a licensor under a license that does not otherwise secure an obligation.

"Limited Fronting Lender" means, with respect to any Participating Lender, any Lender that is an NAIC Approved Bank and that has agreed in a written agreement to act as a fronting bank on behalf of such Participating Lender in accordance with Section 2.02(m), which agreement shall be in form and substance reasonably satisfactory to the Administrative Agent (such an agreement, a **"Limited Fronting Lender Agreement"**).

"Limited Fronting Percentage" means, with respect to any Limited Fronting Lender and any Participating Lender, the percentage (not to exceed 100%) of such Participating Lender's Pro Rata Share of the aggregate undrawn amount of Letters of Credit in respect of which such Limited Fronting Lender has agreed to act as a fronting bank, as set forth in the Limited Fronting Lender Agreement between such Limited Fronting Lender and such Participating Lender.

“Loan” means either a Base Rate Loan or a SOFR Loan, as the context may require.

“Loan Documents” means this Agreement and amendments of and joinders to this Agreement that are deemed pursuant to their terms to be Loan Documents for purposes hereof, all Revolving Loan Notes, the Guarantee Agreement, the Collateralized L/C Security Documents, the Fee Letters and all the Extension Amendments.

“Loan Notice” means a notice of Credit Extension substantially in the form of Exhibit C-1.

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect upon, the business, properties, results of operations or condition (financial or otherwise) of Holdings and its Restricted Subsidiaries taken as a whole; (b) a material impairment of the ability of any Credit Party to perform under any Loan Document to which it is a party; (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Credit Party of any Loan Document to which it is a party; or (d) a material adverse change in the rights, remedies and benefits available to, or conferred upon, the Administrative Agent and any Lender under any Loan Document.

“Material Indebtedness” means Indebtedness having an aggregate outstanding principal amount, individually or in the aggregate, with all other Indebtedness of the Credit Parties and their respective Restricted Subsidiaries (excluding Intercompany Indebtedness, Indebtedness under the Loan Documents and Operating Indebtedness which is recourse only to a Subsidiary of the Borrower which is a special purpose life insurance captive vehicle) of not less than the greater of \$150,000,000 and (ii) 2.00% of the Net Worth of Holdings and its consolidated Restricted Subsidiaries.

“Minimum Cash Collateral Amount” means, at any time, (i) with respect to Cash Collateral consisting of cash or deposit account balances, an amount equal to 103% of the L/C Exposure of the Lenders with respect to Letters of Credit issued and outstanding at such time and (ii) otherwise, an amount determined by the Administrative Agent in its reasonable discretion.

“Minimum Collateralized L/C Aggregate Collateral Amount” means, as at any date of determination, 103% of the Collateralized Letter of Credit Usage.

“MNPI” means material non-public information (within the meaning of United States federal, state or other applicable securities laws) with respect to Holdings, the Borrower or their respective affiliates or securities.

“Moody’s” means Moody’s Investors Service, Inc., together with any Person succeeding thereto by merger, consolidation or acquisition of all or substantially all of its assets, including substantially all of its business of rating securities.

“Multiemployer Plan” means a “multiemployer plan,” within the meaning of Section 4001(a)(3) of ERISA, to which any member of the ERISA Group makes, is making or is obligated to make contributions or, during the preceding six calendar years, has made, or been obligated to make, contributions.

“NAIC” means the National Association of Insurance Commissioners or any successor thereto, or in the absence of the National Association of Insurance Commissioners or such successor, any other association, agency or other organization performing advisory, coordination or other like functions among insurance departments, insurance commissioners and similar Governmental Authorities of the various states of the United States toward the promotion of uniformity in the practices of such Governmental Authorities.

“NAIC Approved Bank” means any Lender that is a bank listed on the most current “Qualified U.S. Financial Institutions List” of banks approved by the NAIC.

“Natural Person” means a natural person or any company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof.

“Net Income” means, for any Person for any period, the net income (or loss) of such Person for such period as determined, unless otherwise indicated, in accordance with GAAP.

“Net Worth” means the total common and preferred shareholders' equity of any Person as determined in accordance with GAAP (calculated excluding (i) accumulated other comprehensive income (loss), (ii) any charges taken to write off any goodwill included on such Person's balance sheet on the Effective Date to the extent such charges are required by FASB ASC 320 (Investments—Debt and Equity Securities) and ASC 350 (Intangibles—Goodwill and Others), (iii) all noncontrolling interests (as determined in accordance with FASB ASC 160 (Noncontrolling Interests in Consolidated Financial Statements)), and (iv) reinsurance embedded derivatives as determined in accordance with FASB ASC 815-15-55-102 (formerly known as FASB Derivative Implementation Group B-36)).

“New Revolving Commitment” has the meaning set forth in [Section 2.15\(a\)](#).

“New Revolving Loan” has the meaning set forth in [Section 2.15\(b\)](#).

“New Revolving Loan Lender” has the meaning set forth in [Section 2.15\(a\)](#).

“Newly Acquired Subsidiary” means any Subsidiary that is not a Subsidiary on the Effective Date but that becomes a Subsidiary after the Effective Date, but only during the 180 days after the first date on which such Subsidiary became a Subsidiary.

“Newly Acquired Subsidiary Debt” any Indebtedness solely of a Newly Acquired Subsidiary existing at the time such Person becomes a Subsidiary and not created in contemplation of such event.

“Non-Collateralized Letter of Credit” means a Letter of Credit that is not a Collateralized Letter of Credit.

“Non-Consenting Lender” means a Lender that does not consent to an amendment or waiver pursuant to [Section 10.01](#) that requires the consent of all or all affected Lenders in order to become effective and as to which Lenders holding more than 50% of the Revolving Loans and Revolving Commitments have consented.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-NAIC Approved Bank” means any Person that is not an NAIC Approved Bank.

“Non-Recourse Insurance Subsidiary Indebtedness” means non-recourse Indebtedness of Insurance Subsidiaries and Subsidiaries thereof incurred in the ordinary course of business resulting from the sale or securitization of non-admitted assets, policy loans, CBOs and CMOs or other similar instruments and structures.

“Obligations” means all advances to, and debts, liabilities and obligations of, any Credit Party arising under any Loan Document, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Credit Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Obligations of the Credit Parties under the Loan Documents include (a) the obligation to pay principal, interest, charges, expenses, fees, Attorney Costs, indemnities and other amounts payable by any Credit Party under any Loan Document and (b) the obligation of any Credit Party to reimburse any amount in respect of any of the foregoing that any Lender, in its sole discretion, may elect to pay or advance on behalf of such Credit Party.

“Operating Indebtedness” of any Person means, at any date, without duplication, any Indebtedness of such Person (a) in respect of AXXX, XXX and other similar life or annuity reserve requirements, (b) incurred in connection with repurchase agreements and securities lending, (c) to the extent the proceeds of which are used directly or indirectly (including for the purpose of funding portfolios that are used to fund trusts in order) to support AXXX, XXX and other similar life or annuity reserves, (d) to the extent the proceeds of which are used to fund discrete assets or pools of assets (and any related hedge instruments and capital) that are segregated from other assets of such Person and in the judgment of such Person have sufficient cash flow to pay principal and interest thereof, with insignificant risk of other assets of such Person being called upon to make such principal and interest payments, (e) in respect of undrawn letters of credit or drawn letters of credit that are reimbursed, issued on behalf of any Insurance Subsidiary or any Subsidiary of an Insurance Subsidiary in the ordinary course of its business for insurance regulatory or reinsurance purposes, (f) that is owed to a Federal Home Loan Bank or (g) that is excluded entirely from financial leverage by either S&P or Moody’s in its evaluation of Holdings.

“Organization Documents” means (i) with respect to any corporation, the certificate or articles of incorporation, the bylaws, any certificate of designation or instrument relating to the rights of preferred shareholders of such corporation, any shareholder rights agreement, (ii) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement and (iii) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the

jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity, or in the case of clauses (i), (ii) and (iii), the equivalent or comparable constituent documents with respect to any Foreign Subsidiary.

“Other Connection Taxes” means, with respect to any recipient, Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing such Tax (other than connections arising from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in the Revolving Loans, Revolving Commitments or Loan Documents).

“Other Taxes” means any present or future recording, stamp, court or documentary Taxes or any other excise, sales or property Taxes, charges or similar levies that arise from any payment made under this Agreement or any other Loan Document or from the execution, delivery, performance, enforcement or registration of, or from the receipt of or perfection of a security interest under, or otherwise with respect to, this Agreement or any other Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.07 or 10.14).

“Participant” has the meaning specified in Section 10.07(d).

“Participant Register” has the meaning specified in Section 10.07(d).

“Participating Lender” means any Lender that is (a) a Non-NAIC Approved Bank or (b) unable to issue Letters of Credit for the benefit of the Borrower and its Subsidiaries due to regulatory restrictions, legal impediments or any other internal or external restrictions, in each case, on behalf of which a Limited Fronting Lender has agreed to act as a fronting bank in accordance with the definition of the term “Limited Fronting Lender” and Section 2.02(m).

“PATRIOT Act” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“Payment Recipient” has the meaning assigned thereto in Section 9.14(a).

“PBGC” means the Pension Benefit Guaranty Corporation or any Governmental Authority succeeding to any of its principal functions under ERISA.

“Periodic Term SOFR Determination Day” has the meaning assigned thereto in the definition of “Term SOFR”.

“Permitted Holders” means any of KKR and its Subsidiaries.

“Permitted Swap Obligations” means all obligations (contingent or otherwise) existing or arising under Swap Contracts; *provided* that (x) each of the following criteria is satisfied: (a) such obligations are (or were) entered into by such Person in the ordinary course of business and consistent with past practices of such Person for the purpose of managing risks associated with

liabilities, commitments or assets held by such Person, or changes in the value of securities issued by such Person in conjunction with a securities repurchase program not otherwise prohibited hereunder, and not for purposes of speculation or taking a “market view” and (b) such Swap Contracts do not contain any provision (a “walk-away” provision) exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party or (y) such obligations are obligations of an Insurance Subsidiary entered into by such Person in the ordinary course of business and consistent with past practices of such Person to transfer risk that might otherwise be transferred by insurance or reinsurance transactions (and is an established line of business for such Person) and not for purposes of speculation or taking a “market view”.

“**Person**” means an individual, partnership, corporation, company, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or Governmental Authority or other entity of whatever nature.

“**Plan**” means an employee benefit plan (as defined in Section 3(3) of ERISA) that Holdings or any of its Subsidiaries sponsors or maintains or to which Holdings or any of its Subsidiaries makes, is making or is obligated to make, contributions and includes any Single Employer Pension Plan.

“**Platform**” has the meaning specified in Section 6.02.

“**Portfolio Interest Exemption**” has the meaning specified in Section 3.01(e)(B)(iii).

“**Post-IPO Offerings**” means any offering, whether public or private, of capital stock of the IPO Entity after the IPO.

“**Prepayment Notice**” means a written notice made pursuant to Section 2.06(e) substantially in the form of Exhibit H.

“**Pricing Level**” means any of Pricing Level 1, Pricing Level 2, Pricing Level 3, Pricing Level 4 or Pricing Level 5 set forth in the table in the definition of “Applicable Margin”, “Applicable Revolving Commitment Fee Percentage” and “Applicable Non-Collateralized Letter of Credit Fee”.

“**Prime Rate**” means, at any time, the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in such prime rate occurs. The parties hereto acknowledge that the rate announced publicly by the Administrative Agent as its prime rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.

“**Pro Rata Share**” means the percentage obtained by dividing (a) the Revolving Commitment of that Lender by (b) the aggregate Revolving Commitments of all Lenders; provided that if the Revolving Commitment of each Lender has been terminated pursuant to Section 8.02, then the Pro Rata Share of each Lender shall be determined based on the Pro Rata Share of such

Lender immediately prior to such termination and after giving effect to any subsequent assignments made pursuant to the terms hereof.

"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.

"Public Lender" has the meaning specified in Section 6.02.

"Purchase Money Debt" means Indebtedness incurred by a Person in connection with the purchase of fixed or capital assets by such Person, in which assets the seller or financier thereof has taken or retained a Lien; *provided* that (x) any such Lien attaches to such assets concurrently with or within 120 days after the purchase thereof by such Person and (y) at the time of incurrence of such Indebtedness, the aggregate principal amount of such Indebtedness shall not exceed the costs of the assets so purchased plus fees and expenses reasonably related thereto.

"QFC Credit Support" has the meaning specified in Section 10.24.

"Quarterly Statement" means the quarterly statutory financial statement of any Insurance Subsidiary required to be filed with the insurance commissioner (or similar authority) of its jurisdiction of incorporation or, if no specific form is so required, in the form of financial statements permitted by such insurance commissioner (or such similar authority) to be used for filing quarterly statutory financial statements and shall contain the type of financial information permitted by such insurance commissioner (or such similar authority) to be disclosed therein, together with all exhibits or schedules filed therewith.

"RBC" means Royal Bank of Canada.

"RBCCM" means RBC Capital Markets, a brand name for the capital markets businesses of RBC and its Affiliates.

"Register" has the meaning specified in Section 10.07(c).

"Regulations T, U and X" means Regulations T, U and X, respectively, of the Board of Governors of the Federal Reserve System, in each case as in effect from time to time.

"Reimbursement Date" has the meaning specified in Section 2.02(h).

"Reinsurance Agreements" means any agreement, contract, treaty, certificate or other arrangement by which any Insurance Subsidiary agrees to transfer or cede to another insurer all or part of the liability assumed or assets held by it under one or more insurance, annuity, reinsurance or retrocession policies, agreements, contracts, treaties, certificates or similar arrangements. Reinsurance Agreements shall include, but not be limited to, any agreement, contract, treaty, certificate or other arrangement that is treated as such by the applicable Department.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners (to the extent such Person is a partnership), directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

“Release” means any release, spill, emission, discharge, deposit, disposal, leaking, pumping, pouring, dumping, emptying, injection, migration or leaching into or through the Environment.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA or the regulations thereunder, other than any such event for which the 30-day notice requirement under ERISA has been waived in regulations issued by the PBGC.

“Required Lenders” means, as of any date of determination, one or more Lenders having or holding Revolving Exposure and unused Revolving Commitments representing more than 50% of the aggregate Revolving Exposure and unused Revolving Commitments of all Revolving Lenders; *provided* that the aggregate amount of Revolving Exposure and unused Revolving Commitments shall be determined with respect to any Defaulting Lender by disregarding the Revolving Exposure and unused Revolving Commitments of such Defaulting Lender.

“Requirement of Law” means, as to any Person, any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or of a Governmental Authority and orders of, and all applicable restrictions imposed by, all Governmental Authorities, in each case applicable to or legally binding upon the Person or any of its property or to which the Person or any of its property is subject.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means the chief executive officer, president, chief financial officer, treasurer or assistant treasurer, or other officer of similar stature or responsibility, of a Credit Party. Any document delivered under any Loan Document that is signed by a Responsible Officer of a Credit Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Credit Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Credit Party. Unless otherwise specified, “Responsible Officer” means a Responsible Officer of Holdings.

“Restricted Subsidiary” means any Subsidiary other than an Unrestricted Subsidiary; *provided* that upon the occurrence of any Unrestricted Subsidiary ceasing to be an Unrestricted Subsidiary, such Subsidiary shall be included in the definition of “Restricted Subsidiary”.

“Revolving Commitment” means the commitment of a Lender to make or otherwise fund any Revolving Loan and to issue Letters of Credit hereunder (or, in the case of a Participating Lender, to acquire participations in Letters of Credit hereunder pursuant to Section 2.02(m)), and **“Revolving Commitments”** means such commitments of all Lenders in the aggregate. The amount of each Lender’s Revolving Commitment, if any, is set forth on Appendix A or in the

applicable Assignment and Assumption or Joinder Agreement, as applicable, subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Revolving Commitments as of the Effective Date is \$1,000,000,000.

“Revolving Commitment Period” means the period from the Effective Date to but excluding the Commitment Termination Date.

“Revolving Exposure” means, with respect to any Lender as of any date of determination, the sum of (a) the aggregate outstanding principal amount of the Revolving Loans of that Lender and (b) the L/C Exposure of that Lender.

“Revolving Lender” means a Lender having a Revolving Commitment.

“Revolving Loan” means a Loan made by a Lender to the Borrower pursuant to Section 2.01(a).

“Revolving Loan Note” means a promissory note in the form of Exhibit B, as it may be amended, restated, supplemented or otherwise modified from time to time.

“S&P” means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, together with any Person succeeding thereto by merger, consolidation or acquisition of all or substantially all of its assets, including substantially all of its business of rating securities.

“Sanctioned Country” means, at any time, a country, region or territory which is the subject or target of comprehensive sanctions (as of the Effective Date, the Crimea, Kherson and Zaporizhzhia regions of Ukraine, so-called Donetsk People's Republic, so-called Luhansk People's Republic of Ukraine, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, any Person that is the target of Sanctions, including without limitation: (a) any Person listed in any Sanctions-related list of designated Persons maintained by Global Affairs Canada, OFAC or the U.S. Department of State or any other applicable sanctions authority where a Credit Party is located or conducts business or any other applicable sanctions authority that is otherwise described in the definition for Sanctions, (b) any Person located, organized or resident in a Sanctioned Country or (c) any Person owned 50% or more by any such Person or Persons described in the foregoing clause (a) or (b).

“Sanctions” means any economic or trade sanctions or restrictive measures enacted, administered, imposed or enforced by: (a) the United States government; (b) the United Nations; (c) the European Union or its Participating Member States; (d) the United Kingdom; (e) the Government of Canada; (f) the respective governmental institutions and agencies of any of the foregoing, including, without limitation, OFAC, the U.S. Department of State, the United Nations Security Council, Global Affairs Canada, and/or His Majesty's Treasury; or (g) any other Governmental Authorities having jurisdiction over any Credit Party.

“SAP” means, with respect to any Insurance Subsidiary, the statutory accounting practices prescribed or permitted by the insurance commissioner (or other similar authority) in the

jurisdiction of such Insurance Subsidiary for the preparation of annual statements and other financial reports by insurance companies of the same type as such Insurance Subsidiary that are applicable to the circumstances as of the date of filing of such statement or report.

“**SEC**” means the Securities and Exchange Commission or any Governmental Authority succeeding to any of its principal functions.

“**Secured Parties**” has the meaning specified in the Collateralized L/C Security and Control Agreement.

“**Securities Act**” means the Securities Act of 1933 and the regulations promulgated thereunder.

“**Security and Control Agreement**” means the Security and Control Agreement, dated as of the Effective Date, among the Borrower, the Administrative Agent and the Custodian.

“**Single Employer Pension Plan**” means a pension plan (as defined in Section 3(2) of ERISA) that is subject to Title IV of ERISA, other than a Multiemployer Plan, that any member of the ERISA Group sponsors or maintains, or to which any member of the ERISA Group makes or is obligated to make contributions or would reasonably be expected to have liability, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA at any time during the preceding five years or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

“**SOFR**” means a rate *per annum* equal to the secured overnight financing rate as administered by the SOFR Administrator.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“**SOFR Loan**” means a Loan that bears interest at Adjusted Term SOFR.

“**Specified Currency**” has the meaning set forth in Section 10.22(a).

“**Specified Place**” has the meaning set forth in Section 10.22(a).

“**Subsidiary**” of a Person means any corporation, company, partnership, limited liability company, limited liability partnership, joint venture, trust, association or other unincorporated organization of which or in which such Person and such Person’s Subsidiaries own directly or indirectly more than 50% of (a) the combined voting power of all classes of shares or stock having general voting power under ordinary circumstances to elect a majority of the board of directors, if it is a company or corporation, (b) the voting or managing interests (which shall mean the general partner in the case of a partnership), if it is a partnership, joint venture or similar entity, (c) the beneficial interest, if it is a trust, association or other unincorporated organization or (d) the voting or managing membership interests, if it is a limited liability company. Unless otherwise specified, “**Subsidiary**” means a Subsidiary of Holdings. Unless otherwise specified, when used herein, the term “Subsidiary” of KKR shall not include any portfolio company of KKR or any of its

Subsidiaries. For the avoidance of doubt, neither Holdings nor any of its Subsidiaries shall be considered a portfolio company of KKR or any of its Subsidiaries.

“Supported QFC” has the meaning specified in Section 10.24.

“Swap Contract” means any agreement relating to any transaction (whether or not arising under a master agreement) that is a rate swap, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap or option, bond, note or bill option, interest rate option, futures contract, forward foreign exchange transaction, cap, collar or floor transaction, currency swap, cross-currency rate swap, swaption, currency option, credit derivative transaction or any other similar transaction (including any option to enter into any of the foregoing) or any combination of the foregoing, and any master agreement relating to or governing any or all of the foregoing.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts and all rights to set off against collateral posted in respect of such Swap Contract, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined by Holdings based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include any Lender).

“Syndicated Letter of Credit” means a single multi-bank letter of credit issued by all of the Lenders (acting through the Administrative Agent in accordance with the provisions hereof) in which each Lender, as an issuing bank thereunder, has a several (but not joint) obligation in respect of a specified portion of the amount of such Letter of Credit.

“Syndication Agents” means, collectively, RBC and US Bank and their respective successors and assigns in such capacity.

“Tax Benefit Payment Agreement” means the Tax Benefit Payment Agreement, dated as of April 30, 2013, among the Borrower, as Payor, GAFLL, as Intermediate Guarantor, GAFGL, as Parent Guarantor and The Goldman Sachs Group, Inc., as Payee.

“Tax Status Certificate” has the meaning specified in Section 3.01(e)(B)(iii).

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term SOFR” means,

(a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “Periodic Term

SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day, and

(b) for any calculation with respect to a Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “Base Rate Term SOFR Determination Day”) that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate Term SOFR Determination Day.

“**Term SOFR Adjustment**” means a percentage, per annum, equal to 0.10%.

“**Term SOFR Administrator**” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“**Term SOFR Reference Rate**” means the forward-looking term rate based on SOFR.

“**Total Capitalization**” means, without duplication, (a) the amount described in clause (a) of the definition of “Debt to Total Capitalization Ratio” *plus* (b) the Net Worth of the applicable Person.

“**Total Utilization of Revolving Commitments**” means, as at any date of determination, the sum of (i) the aggregate principal amount of all outstanding Revolving Loans *plus* (ii) the Letter of Credit Usage.

“**Transactions**” means the (i) execution, delivery and performance by each Credit Party of the Loan Documents to which it is to be a party, (ii) borrowing of Loans, use of the proceeds thereof and issuance of Letters of Credit hereunder and (iii) payment of fees and expenses incurred in connection with the foregoing.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Uniform Commercial Code” means the Uniform Commercial Code as in effect from time to time in the State of New York; *provided* that, if perfection or the effect of perfection or non-perfection or the priority of any Collateralized L/C Lien on any Collateralized L/C Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “Uniform Commercial Code” 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.

“United States” and **“U.S.”** each means the United States of America.

“Unrestricted Subsidiary” means (x) from and after the Effective Date (until such time as it is designated as a Restricted Subsidiary pursuant to Section 6.11 subsequent to the Effective Date), [**], and (y) any other Subsidiary designated by the board of directors (or similar governing body) of (a) Holdings or (b) if such Subsidiary is a Subsidiary of the Borrower, the Borrower, as an Unrestricted Subsidiary pursuant to Section 6.11 subsequent to the date hereof. Holdings or the Borrower may designate any subsidiary (including any existing Subsidiary and any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its subsidiaries owns any Capital Stock or Indebtedness of, or owns or holds any Lien on any property of, Holdings or any Subsidiary (other than any subsidiary of the subsidiary to be so designated); *provided* that (i) each of (A) the subsidiary to be so designated and (B) its subsidiaries has not at the time of designation, and does not thereafter, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of Holdings or any Restricted Subsidiary (after giving effect to such designation), (ii) neither Holdings nor the Borrower may designate (A) the Borrower, (B) any Insurance Subsidiary other than [**] or (C) any Subsidiary of Holdings or the Borrower that directly or indirectly owns any Capital Stock of any Insurance Subsidiary other than [**] to be an Unrestricted Subsidiary and (iii) for the avoidance of doubt, there shall be no Unrestricted Subsidiaries on the Effective Date, other than [**], each of which is expressly designated as an Unrestricted Subsidiary as of the Effective Date.

*[**]=Certain information contained in this document, marked by “[**]”, has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

“US Bank” means U.S. Bank National Association.

“U.S. Special Resolution Regimes” has the meaning specified in Section 10.24.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“Voting Stock” of any Person means Capital Stock of such Person entitling the holders thereof (whether at all times or only so long as no senior class of stock or other relevant equity interest has voting power by reason of any contingency) to vote in the election of the board of directors or similar governing body of such Person.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (b) the then outstanding principal amount of such Indebtedness.

“Wells Fargo” means Wells Fargo Bank, N.A.

“WFS” means Wells Fargo Securities, LLC.

“Wholly-Owned Subsidiary” means any Person in which all of the Capital Stock (other than directors’ and national citizen qualifying shares or similar *de minimis* holdings by another Person, in each case, as required by law) is owned, beneficially and of record, by Holdings, or by one or more of the other Wholly-Owned Subsidiaries, or both.

“Write-Down and Conversion Powers” means, (a) 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, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.02 *Other Interpretive Provisions.*

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words “**hereof**,” “**herein**,” “**hereunder**” and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement; and subsection, Section, Article, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(c) (i) The term “**documents**” includes any and all instruments, documents, agreements, certificates, indentures, notices and other writings, however evidenced.

(ii) The term “**including**” is not limiting and means “including without limitation”.

(iii) In the computation of periods of time from a specified date to a later specified date, the word “**from**” means “from and including,” the words “**to**” and “**until**” each mean “to but excluding” and the word “**through**” means “to and including”.

(iv) The term “**will**” shall be construed to have the same meaning and effect as the word **shall**”.

(d) Unless otherwise expressly provided herein or the context requires otherwise, (i) references to agreements (including this Agreement) and other contractual instruments shall be deemed to include all subsequent amendments and other modifications thereto, but only to the extent such amendments and other modifications are not prohibited by the terms of any Loan Document, (ii) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting the statute or regulation, (iii) any reference herein to a Person shall be construed to include such Person’s permitted successors and assigns and (iv) the word “**property**” shall be construed to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(e) The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement.

(f) This Agreement and other Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters. All such limitations, tests and measurements are cumulative and shall each be performed in accordance with their terms.

(g) This Agreement and the other Loan Documents are the result of negotiations among, and have been reviewed by counsel to, the Administrative Agent, the Borrower and the other parties, and are the products of all parties. Accordingly, they shall not be construed against the Lenders or the Administrative Agent merely because of the Administrative Agent’s or Lenders’ involvement in their preparation.

Section 1.03 *Classification of Loans*. For purposes of this Agreement, Loans may be classified and referred to by Interest Type (e.g., a “SOFR Loan”).

(a) Unless the context otherwise clearly requires, all accounting terms not expressly defined herein shall be construed, and all financial computations required under this Agreement shall be made, in accordance with GAAP as in effect from time to time, consistently applied. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of Holdings and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

(b) References herein to particular columns, lines or sections of any Person's Annual Statement shall be deemed, where appropriate, to be references to the corresponding column, line or section of such Person's Quarterly Statement, or if no such corresponding column, line or section exists or if any report form changes, then to the corresponding item referenced thereby. In the event the columns, lines or sections of the Annual Statement or Quarterly Statement referenced herein are changed or renumbered from the columns, lines and sections applicable to the December 31, 2023 Annual Statement, all such references shall be deemed references to such column, line or section as so renumbered or changed.

(i) If, at any time after the date of this Agreement, any material change is made to GAAP or Holdings' accounting practices that would affect in any material respect the determination of compliance with the covenants set forth in this Agreement, Holdings shall notify the Administrative Agent of the change and Holdings and the Administrative Agent shall negotiate in good faith to amend such covenant, subject to the approval of the Required Lenders, to restore Holdings and the Lenders to the position they occupied before the implementation of such material change in GAAP or accounting practices; *provided* that if Holdings and the Administrative Agent are unable to reach agreement within sixty (60) days following the implementation of such material change, the Administrative Agent shall be permitted, acting in good faith, to make such amendments, in each case subject to the approval of the Required Lenders, to the covenants set forth in this Agreement as it reasonably determines are necessary to restore Holdings and the Lenders to the position they occupied prior to the implementation thereof.

Section 1.05 *Divisions.*

(a) Solely with respect to Sections 6.04, 6.11 and 7.02, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Capital Stock at such time.

Section 1.06 *Rates.* The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, (a) the continuation of,

administration of, submission of, calculation of or any other matter related to the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement), as it may or may not be adjusted pursuant to Section 3.05, will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its Affiliates or other related entities may engage in transactions that affect the calculation of the Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto and such transactions may be adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Term SOFR Reference Rate, Adjusted Term SOFR or Term SOFR, or any other Benchmark, any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE 2 THE CREDITS

Section 2.01 *Revolving Loans.*

(a) Revolving Commitments. During the Revolving Commitment Period, subject to the terms and conditions hereof, each Lender with a Revolving Commitment severally agrees to make Revolving Loans in Dollars to the Borrower; *provided that*, after giving effect to the making of any Revolving Loans, in no event shall (i) such Lender's Revolving Exposure exceed such Lender's Commitment, or (ii) the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect. Amounts borrowed pursuant to this Section 2.01(a) may be repaid and reborrowed during the Revolving Commitment Period. Each Revolving Commitment shall expire on the Commitment Termination Date and all Revolving Loans and all other amounts owed hereunder with respect to the Revolving Loans and the Revolving Commitments shall be paid in full no later than such date.

(b) Borrowing Mechanics for Revolving Loans.

(i) Except pursuant to Section 2.02(h) or 2.02(l)(vi), Revolving Loans shall be made in an aggregate minimum amount of \$2,500,000 and integral multiples of \$1,000,000 in excess of that amount.

(ii) Whenever the Borrower desires that Lenders make Revolving Loans, the Borrower shall deliver to the Administrative Agent a fully executed and delivered Loan

Notice no later than 10:00 a.m. (New York City time) (A) in the case of a SOFR Loan, at least three (3) Business Days in advance of the proposed Borrowing Date, (B) in the case of one or more Base Rate Loans in an aggregate principal amount greater than \$100,000,000, at least one (1) Business Day in advance of the proposed Borrowing Date, and (C) in the case of one or more Base Rate Loans in an aggregate principal amount equal to or less than \$100,000,000, on the proposed Borrowing Date; *provided* that, if such Borrowing Date is the Effective Date, such Loan Notice may be delivered within such period shorter than three (3) Business Days as may be agreed by the Administrative Agent with respect to SOFR Loans. Except as otherwise provided herein, a Loan Notice for a Revolving Loan that is a SOFR Loan shall be irrevocable on and after the related Interest Rate Determination Date.

(iii) Notice of receipt of each Loan Notice in respect of Revolving Loans, together with the amount of each Lender's Pro Rata Share thereof, if any, together with the applicable interest rate, shall be provided by the Administrative Agent to each applicable Lender by facsimile or other electronic communication with reasonable promptness, but (*provided* that the Administrative Agent shall have received such notice by 10:00 a.m. (New York City time)) not later than 3:00 p.m. (New York City time) (or, in the case of a Loan Notice delivered pursuant to Section 2.01(b)(ii)(C), 12:00 noon (New York City time)) on the same day as the Administrative Agent's receipt of such Loan Notice from the Borrower.

(iv) Each Lender shall make the amount of its Revolving Loan available to the Administrative Agent not later than 12:00 noon (New York City time) (or, in the case of Base Rate Loans with respect to which a Loan Notice is delivered pursuant to Section 2.01(b)(ii)(C), 2:00 p.m. (New York City time)) on the applicable Borrowing Date by wire transfer of same day funds in Dollars, at the Administrative Agent's Office. Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent shall make the proceeds of such Revolving Loans available to the Borrower on the applicable Borrowing Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Revolving Loans received by the Administrative Agent from Lenders to be credited to the account of the Borrower at the Administrative Agent's Office or to such other account or accounts as may be designated in writing to the Administrative Agent by the Borrower.

Section 2.02 *Issuance of Letters of Credit*

(a) Letters of Credit. During the Revolving Commitment Period, subject to the terms and conditions hereof (including Section 2.02(m)), the Lenders shall issue Letters of Credit in respect of which the Borrower is the applicant (or, so long as the Borrower is a joint and several co-applicant in respect thereof, any Subsidiary is the applicant; *provided* that, with respect to any such Subsidiary, the Borrower shall have designated such Subsidiary to the Administrative Agent in writing as an applicant of Letters of Credit at least seven (7) Business Days prior to the delivery by the Borrower of the Issuance Notice with respect to the first Letter of Credit in respect of which such Subsidiary is the applicant, and any Lender shall have been provided with documentation and other information it reasonably determines are required by bank regulatory authorities under

applicable “know-your-customer” and Anti-Money Laundering Laws, including the PATRIOT Act, at least five (5) Business Days prior to the delivery of such Issuance Notice as has been reasonably requested in writing at least six (6) Business Days prior to the delivery of such Issuance Notice) for the support of obligations of Holdings and/or its Subsidiaries in an aggregate amount up to but not exceeding the Letter of Credit Sublimit; *provided*, (i) each Letter of Credit shall be a standby letter of credit denominated in Dollars; (ii) the stated amount of each Letter of Credit shall not be less than \$500,000 or such lesser amount as is acceptable to the Administrative Agent; (iii) after giving effect to such issuance, in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect; (iv) after giving effect to such issuance, in no event shall the Letter of Credit Usage exceed the Letter of Credit Sublimit; (v) after giving effect to the issuance of any Collateralized Letter of Credit, in no event shall the Collateralized L/C Aggregate Collateral Amount be less than the Minimum Collateralized L/C Aggregate Collateral Amount; (vi) in no event shall any Letter of Credit have an expiration date later than the earlier of (A) five (5) days prior to the Commitment Termination Date (unless such Letter of Credit shall on the date of issuance have been Cash Collateralized in the Minimum Cash Collateral Amount which Letter of Credit, for the avoidance of doubt, shall not have an expiration date later than twelve (12) months (or, if required by the applicable Department, thirteen (13) months) after the Commitment Termination Date) and (B) the date which is one (1) year from the date of issuance of such Letter of Credit (or, if required by the applicable Department, thirteen (13) months from the date of issuance of such Letter of Credit); (vii) in no event shall any Letter of Credit be issued if such issuance would violate any Requirement of Law; (viii) in no event shall any Letter of Credit be issued if such Letter of Credit is otherwise unacceptable to the Administrative Agent in its reasonable discretion; and (ix) each Letter of Credit shall be substantially in the form of the Administrative Agent’s customary form; *provided, further*, that, without the prior consent of each Lender, no Letter of Credit may be issued that would vary the several and not joint nature of the obligations of the Lenders thereunder and, subject to Section 2.02(m), each Letter of Credit shall be issued by all of the Lenders having Revolving Commitments at the time of issuance as a single multi-bank letter of credit, but the obligation of each Lender thereunder shall be several and not joint, based upon its Pro Rata Share of the aggregate undrawn amount of such Letter of Credit (subject to Section 2.02(m)). Subject to the foregoing, the Administrative Agent may agree that a Letter of Credit will automatically be extended for one or more successive periods not to exceed one year each, unless the Administrative Agent elects not to extend for any such additional period; *provided*, that the Administrative Agent shall not extend any such Letter of Credit if (i) it has received written notice from a Lender or the Borrower that an Event of Default has occurred and is continuing at least two (2) Business Days prior to the time the Administrative Agent must elect to allow such extension; *provided, further*, if a Letter of Credit will not be renewed, the Administrative Agent shall notify the Borrower and the beneficiary of such Letter of Credit of such non-renewal or (ii) such renewal would occur later than five (5) days prior to the Commitment Termination Date (unless such Letter of Credit shall on the date of renewal have been Cash Collateralized in the Minimum Cash Collateral Amount which Letter of Credit, for the avoidance of doubt, shall not have an expiration date later than twelve (12) months (or, if required by the applicable Department, thirteen (13) months) after the Commitment Termination Date).

(b) Notice of Issuance, Amendment, Renewal or Extension. Whenever the Borrower desires the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), it shall deliver to the Administrative Agent an Issuance Notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying (i) the date of issuance, amendment, renewal or extension, as the case may be (which shall be a Business Day), (ii) the date on which such Letter of Credit is to expire (which shall comply with Section 2.02(a)), (iii) the amount of such Letter of Credit, (iv) the name and address of the beneficiary thereof, (v) in the case of the issuance of a Letter of Credit, whether such Letter of Credit will be a Non-Collateralized Letter of Credit or a Collateralized Letter of Credit and (vi) the other terms and conditions of (and such other information as shall be necessary to prepare, amend, renew or extend, as the case may be) such Letter of Credit no later than 11:00 a.m. (New York City time) at least ten (10) Business Days, or such shorter period as may be agreed to by the Administrative Agent in any particular instance, in advance of the proposed date of issuance, amendment, renewal or extension, as the case may be. Upon receipt by the Administrative Agent of an Issuance Notice, the Administrative Agent shall deliver to each Lender with a Revolving Commitment a copy of such Issuance Notice; *provided* that any failure to deliver or delay in delivering a copy of such Issuance Notice shall not relieve any Lender of its obligations under this Section 2.02. In connection with any request for a Collateralized Letter of Credit, the Borrower shall deliver to the Administrative Agent a Collateralized L/C Collateral Certificate no later than 11:00 a.m. (New York City time) on the Business Day immediately preceding the date of issuance of such Collateralized Letter of Credit, confirming that the Collateralized L/C Aggregate Collateral Amount after giving effect to such issuance shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount. If requested by the Administrative Agent, the Borrower also shall submit a letter of credit application on the Administrative Agent's standard form in connection with any request for a Letter of Credit. 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 Borrower to, or entered into by the Borrower with the Administrative Agent relating to any Letter of Credit, the terms and conditions of this Agreement shall control. Upon the issuance, renewal or extension of any Letter of Credit or amendment or modification to a Letter of Credit, the Administrative Agent shall notify each Lender with a Revolving Commitment of such issuance and the amount of such Lender's respective L/C Exposure in such Letter of Credit and deliver to such Lender a copy of such Letter of Credit; *provided* that any failure to give or delay in giving such notice or any failure to deliver or delay in delivering a copy of such Letter of Credit shall not relieve any Lender of its obligations under this Section 2.02.

(c) Obligation of Lenders. With respect to any Letter of Credit, the obligation of any Lender under such Letter of Credit shall be several and not joint and shall at any time be in an amount equal to such Lender's Pro Rata Share of the aggregate undrawn amount of such Letter of Credit (subject to Section 2.02(m)), and each Letter of Credit shall expressly so provide.

(d) Adjustment of Pro Rata Shares. Upon (i) each addition of a new Lender hereunder, (ii) each change in the Revolving Commitment of a Lender pursuant to this Agreement and (iii) each change in status of a Lender as a Participating Lender, then in the case of each outstanding Letter of Credit, without the consent of the beneficiary thereunder unless required

under such Letter of Credit or applicable law (including, if applicable, the Uniform Customs and Practices for Documentary Credits governing such Letter of Credit), the Administrative Agent shall promptly amend such Letter of Credit to specify the Lenders that are parties thereto, after giving effect to such event, and such Lenders' respective Pro Rata Shares as of the effective date of such amendment (subject to Section 2.02(m)). However, it is acknowledged by the Administrative Agent and the Lenders that amendments of outstanding Letters of Credit may not be immediately effected and may be subject to the consent of the beneficiaries of such Letters of Credit. Accordingly, whether or not Letters of Credit are amended as contemplated hereby, the Lenders agree that they shall purchase and sell participations or otherwise make or effect such payments among themselves (but through the Administrative Agent) so that payments by the Lenders of drawings under Letters of Credit and payments by the Borrower of L/C Disbursements made by the Lenders and interest thereon are, except as otherwise expressly set forth herein (including with respect to Limited Fronting Lenders and Defaulting Lenders), in each case shared by the Lenders in accordance with the Revolving Commitments of the Lenders from time to time in effect.

(e) Issuance and Administration of Letters of Credit With respect to each Letter of Credit, such Letter of Credit shall be executed and delivered by the Administrative Agent in the name and on behalf of, and as attorney-in-fact for, the Lenders party to such Letter of Credit, and the Administrative Agent shall act as the agent of each such Lender to (i) receive drafts, other demands for payment and other documents presented by the beneficiary under such Letter of Credit, (ii) determine whether such drafts, demands and documents are in compliance with the terms and conditions of such Letter of Credit and (iii) notify such Lender and the Borrower that a valid drawing has been made and the date that the related disbursement is to be made; *provided* that the Administrative Agent shall have no obligation or liability for any disbursement under such Letter of Credit, and each Letter of Credit shall expressly so provide. Each Lender hereby irrevocably appoints and designates the Administrative Agent as its attorney-in-fact, acting through any duly authorized officer of the Person that is serving as the Administrative Agent, to execute and deliver in the name and on behalf of such Lender each Letter of Credit (together with any amendment, extension or renewal thereof) to be issued by the Lenders hereunder. Promptly upon the request of the Administrative Agent, each Lender will furnish to the Administrative Agent such powers of attorney or other evidence as any beneficiary of any such Letter of Credit may reasonably request in order to demonstrate that the Administrative Agent has the power to act as attorney-in-fact for such Lender to execute and deliver each Letter of Credit (together with any amendment, extension or renewal thereof).

(f) Responsibility of Administrative Agent With Respect to Requests for Drawings and Payments In determining whether to honor any drawing under any Letter of Credit by the beneficiary thereof, the Administrative Agent shall be responsible only to examine the documents delivered under such Letter of Credit with reasonable care so as to ascertain whether they appear on their face to be in substantial compliance with the terms and conditions of such Letter of Credit. As between the Borrower and the Administrative Agent, the Borrower assumes all risks of the acts and omissions of, or misuse of the Letters of Credit issued by the Administrative Agent by, the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, the Administrative Agent shall not be responsible for: (i) the form, validity, sufficiency,

accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of any such Letter of Credit or any document presented by a beneficiary in connection with a drawing under any such Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (iii) failure of the beneficiary of any such Letter of Credit to comply fully with any conditions required in order to draw upon such Letter of Credit; (iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; (vii) the misapplication by the beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit; or (viii) any consequences arising from causes beyond the control of the Administrative Agent, including any Governmental Acts; none of the above shall affect or impair, or prevent the vesting of, any of the Administrative Agent's rights or powers hereunder. Without limiting the foregoing and in furtherance thereof, any action taken or omitted by the Administrative Agent under or in connection with the Letters of Credit or any documents and certificates delivered thereunder, if taken or omitted in good faith (as defined under Article 5 of the Uniform Commercial Code as adopted by the State of New York), shall not give rise to any liability on the part of the Administrative Agent to the Borrower. Notwithstanding anything to the contrary contained in this Section 2.02(f), the Borrower shall retain any and all rights it may have against the Administrative Agent for any direct damages (as opposed to special, indirect, consequential or punitive damages, which claims are hereby waived by the Borrower to the extent permitted under applicable law) suffered by the Borrower arising solely out of the gross negligence or willful misconduct of the Administrative Agent in determining whether documents delivered under any Letter of Credit substantially comply with the terms thereof as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(g) Disbursement Procedures. The Administrative Agent shall, within a reasonable time following its receipt thereof, examine all documents purporting to represent a demand for payment under any Letter of Credit. The Administrative Agent shall promptly after such examination notify each of the Lenders by telephone (confirmed by telecopy or electronic mail) of such demand for payment. With respect to any drawing properly made under any such Letter of Credit, as determined by the Administrative Agent, subject to Section 2.02(m), each Lender will make an L/C Disbursement in respect of such Letter of Credit in accordance with its liability under such Letter of Credit and this Agreement, such L/C Disbursement to be made in Dollars to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent will make any such L/C Disbursement available to the beneficiary of such Letter of Credit by promptly crediting the amounts so received, in like funds in Dollars, to the account identified by such beneficiary in connection with such demand for payment. Promptly following any L/C Disbursement by any Lender in respect of any such Letter of Credit, the Administrative Agent will notify the Borrower of such L/C Disbursement; *provided* that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse the Lenders with respect to any such L/C Disbursement.

(h) Reimbursement by the Borrower of Amounts Drawn or Paid Under Letters of Credit In the event the Borrower has received a notice of any L/C Disbursement made pursuant to Section 2.02(g), the Borrower shall reimburse each Lender in respect of any such L/C Disbursement by paying to the Administrative Agent on or before the Business Day immediately following the date of such L/C Disbursement, but in no event later than the third (3rd) Business Day immediately following the date of such L/C Disbursement (the "**Reimbursement Date**") in an amount in Dollars and in same day funds equal to the amount of such L/C Disbursement; *provided* that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse the Administrative Agent and the Lenders once such notice is delivered; *provided, further*, that anything contained herein to the contrary notwithstanding, (i) unless the Borrower shall have notified the Administrative Agent prior to 10:00 a.m. (New York City time) on the date of such L/C Disbursement that the Borrower intends to reimburse the Administrative Agent for the amount of such L/C Disbursement with funds other than the proceeds of Revolving Loans, the Borrower shall be deemed to have given a timely Loan Notice to the Administrative Agent requesting Lenders with Revolving Commitments to make Revolving Loans that are Base Rate Loans on the Reimbursement Date in an amount in Dollars equal to such L/C Disbursement, and (ii) subject to satisfaction or waiver of the conditions specified in Section 4.02, Lenders with Revolving Commitments shall, on the Reimbursement Date, make Revolving Loans that are Base Rate Loans in the amount of such L/C Disbursement, the proceeds of which shall be applied directly by the Administrative Agent to reimburse each Lender for its Pro Rata Share of such L/C Disbursement; *provided, further*, if for any reason (including, without limitation, by reason of exceeding the Revolving Commitments) proceeds of Revolving Loans are not received by the Administrative Agent on the Reimbursement Date in an amount equal to the amount of such L/C Disbursement, then the Borrower shall reimburse the Administrative Agent, on demand, in an amount in same day funds equal to the excess of the amount of such L/C Disbursement over the aggregate amount of such Revolving Loans, if any, which are so received. Nothing in this Section 2.02(h) shall be deemed to relieve any Lender with a Revolving Commitment from its obligation to make Revolving Loans on the terms and conditions set forth herein, and the Borrower shall retain any and all rights it may have against any such Lender resulting from the failure of such Lender to make such Revolving Loans under this Section 2.02(h).

(i) Obligations Absolute. The obligation of the Borrower to reimburse the Administrative Agent, on behalf of the Lenders, for L/C Disbursements and to repay any Revolving Loans made by Lenders pursuant to Section 2.02(h) shall be absolute, unconditional and irrevocable and shall be paid strictly in accordance with the terms hereof under all circumstances including any of the following circumstances: (i) any lack of validity or enforceability of any Letter of Credit; (ii) the existence of any claim, set-off, defense or other right which the Borrower or any Lender may have at any time against a beneficiary or any transferee of any Letter of Credit (or any Persons for whom any such transferee may be acting), Administrative Agent, Lender or any other Person or, in the case of a Lender, against the Borrower, whether in connection herewith, the transactions contemplated herein or any unrelated transaction (including any underlying transaction between the Borrower or one of its Subsidiaries and the beneficiary for which any Letter of Credit was procured); (iii) any draft or other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (iv) payment by the Administrative

Agent under any Letter of Credit against presentation of a draft or other document which does not substantially comply with the terms of such Letter of Credit; (v) any adverse change in the business, operations, properties, assets, condition (financial or otherwise) or prospects of Holdings or any of its Subsidiaries; (vi) any breach hereof or of any other Loan Document by any party hereto or thereto; (vii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; or (viii) the fact that an Event of Default or a Default shall have occurred and be continuing.

(j) Indemnification. Without duplication of any obligation of the Borrower under Section 10.04 or 10.05, in addition to amounts payable as provided herein, the Borrower hereby agrees to protect, indemnify, pay and save harmless Administrative Agent from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable fees, expenses and disbursements of one outside counsel) which the Administrative Agent may incur or be subject to as a consequence, direct or indirect, of (i) the issuance or wrongful dishonor of any Letter of Credit by the Administrative Agent, other than as a result of the gross negligence or willful misconduct of the Administrative Agent as determined by a final, non-appealable judgment of a court of competent jurisdiction or (ii) the failure of the Administrative Agent to honor a drawing under any such Letter of Credit as a result of any Governmental Act.

(k) Cash Collateralization. If (i) any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the Loans have been accelerated pursuant to Section 8.02, Lenders with L/C Exposure representing greater than 50% of the total L/C Exposure) demanding the deposit of Cash Collateral pursuant to this paragraph, or (ii) at any time, the Letter of Credit Usage exceeds the Letter of Credit Sublimit, the 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 equal to 103% of the L/C Exposure (less the Collateralized Letter of Credit Usage) as of such date in Dollars plus any accrued and unpaid interest thereon (or, in the case of clause (ii), an amount in cash equal to 103% of such excess); *provided* that the obligation to deposit such Cash Collateral shall become effective upon notice from the Administrative Agent to the Borrower, *provided, further*, 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 described in clause (f) or (g) of Section 8.01. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Obligations with respect to the Non-Collateralized Letters of Credit. 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 Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the Lenders for any drawing under a Letter of Credit for which they have not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the L/C Exposure at such time or, if the Loans have been accelerated pursuant to Section 8.02 (but subject to the consent of Lenders with L/C Exposure representing greater than 50% of the total L/C Exposure), be applied

to satisfy other obligations of the Borrower under this Agreement. If the 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 Borrower within three (3) Business Days after all Events of Default have been cured or waived.

(l) Collateralized Letters of Credit

(i) Pursuant to Section 2.02(b), and subject to Section 2.02(a), the Borrower may decide, prior to the issuance thereof, whether a Letter of Credit will be a Non-Collateralized Letter of Credit or a Collateralized Letter of Credit.

(ii) Cash and Eligible Securities provided and pledged to secure a Collateralized Letter of Credit must be held in one or more Collateralized L/C Collateral Accounts, and such Cash and Eligible Securities will be held in such Collateralized L/C Collateral Accounts as collateral for the payment and performance of the Secured Obligations (as defined in the Collateralized L/C Security and Control Agreements). The Administrative Agent will have exclusive dominion and control, including the exclusive right of withdrawal, over the Collateralized L/C Collateral Accounts as provided in the Collateralized L/C Security and Control Agreements. Interest or profits, if any, on Cash and Eligible Securities held in a Collateralized L/C Collateral Account will accumulate in such Collateralized L/C Collateral Account. Cash and the proceeds of Eligible Securities held in Collateralized L/C Collateral Accounts shall be applied by the Administrative Agent to reimburse the Lenders for any drawing under a Collateralized Letter of Credit for which they have not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the Collateralized Letter of Credit Usage at such time.

(iii) If, on the last Business Day of any calendar month, the Collateralized L/C Aggregate Collateral Amount exceeds the Minimum Collateralized L/C Aggregate Collateral Amount, then the Borrower may, within two (2) Business Days after such day, submit a written request to the Administrative Agent for the return of Cash and/or Eligible Securities held in Collateralized L/C Collateral Accounts having Collateralized L/C Collateral Amounts, in the aggregate, equal to or less than such excess and identified by the Borrower in such written request (in the manner required by the applicable Collateralized L/C Security and Control Agreement). The Administrative Agent shall, within two (2) Business Days after the date on which the Administrative Agent receives such written request from the Borrower, instruct the applicable Custodian(s) to transfer such Cash and/or Eligible Securities to the Borrower; *provided that*, after giving effect to any such transfer, the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount. The Borrower shall have no right to request the return of, and the Administrative Agent shall have no obligation to instruct any Custodian to transfer, Cash and/or Eligible Securities having Collateralized L/C Collateral Amounts, in the aggregate, of less than \$100,000.

(iv) So long as no Event of Default has occurred and is continuing or would result therefrom, the Borrower may submit a written request to the Administrative Agent

for the substitution of Cash and/or Eligible Securities held in a Collateralized L/C Collateral Account and identified by the Borrower in such written request with Cash and/or Eligible Securities to be held in such Collateralized L/C Collateral Account and identified by the Borrower in such written request (in the manner required by the applicable Collateralized L/C Security and Control Agreement). The Administrative Agent shall, within two (2) Business Days after the date on which the Administrative Agent receives such written request from the Borrower, instruct the applicable Custodian to (i) receive from the Borrower for deposit to a Collateralized L/C Collateral Account Cash and/or Eligible Securities identified by the Borrower in such written request and (ii) transfer Cash and/or Eligible Securities identified by the Borrower in such written request to the Borrower; *provided* that, after giving effect to any such substitution, the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount. The Borrower shall have no right to request the substitution of, and the Administrative Agent shall have no obligation to instruct any Custodian to substitute, Cash and/or Eligible Securities having Collateralized L/C Collateral Amounts, in the aggregate, of less than \$100,000.

(v) So long as no Event of Default has occurred and is continuing or would result therefrom, the Borrower may submit a written request to the Administrative Agent for the investment of cash held in a Collateralized L/C Collateral Account in Cash and/or Eligible Securities to be held in Collateralized L/C Collateral Accounts and identified by the Borrower in such written request (in the manner required by the applicable Collateralized L/C Security and Control Agreement). The Administrative Agent shall, within two (2) Business Days after the date on which the Administrative Agent receives such written request from the Borrower, instruct the applicable Custodian to invest such cash in Cash and/or Eligible Securities identified by the Borrower in such written request; *provided* that, after giving effect to any such investment, the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount. The Borrower shall have no right to request the investment of, and the Administrative Agent shall have no obligation to instruct any Custodian to invest, cash having a Collateralized L/C Collateral Amount of less than \$100,000.

(vi) The Borrower shall at all times cause the Collateralized L/C Aggregate Collateral Amount to equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount at such time. If on any date the Minimum Collateralized L/C Aggregate Collateral Amount exceeds the Collateralized L/C Aggregate Collateral Amount (such excess, a "**Collateralized L/C Collateral Deficiency**") (including as a result of any Collateralized L/C Security Invalidity), the Borrower shall, in no event later than the fifth (5th) Business Day immediately following the date on which the Administrative Agent notifies the Borrower of such Collateralized L/C Collateral Deficiency (the "**Collateralized L/C Collateral Deficiency Correction Date**"), transfer to one or more Collateralized L/C Collateral Accounts Cash and/or Eligible Securities so that the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount; *provided* that anything contained herein to the contrary notwithstanding, (i) unless the Borrower shall have notified the

Administrative Agent prior to 10:00 a.m. (New York City time) on the Business Day immediately preceding the Collateralized L/C Collateral Deficiency Correction Date that the Borrower intends to transfer to one or more Collateralized L/C Collateral Accounts Cash and/or Eligible Securities so that the Collateralized L/C Aggregate Collateral Amount shall equal or exceed the Minimum Collateralized L/C Aggregate Collateral Amount, the Borrower shall be deemed to have given a timely Loan Notice to the Administrative Agent requesting Lenders with Revolving Commitments to make Revolving Loans that are Base Rate Loans on the Collateralized L/C Collateral Deficiency Correction Date in an amount in Dollars equal to such Collateralized L/C Collateral Deficiency, and (ii) subject to satisfaction or waiver of the conditions specified in Section 4.02, Lenders with Revolving Commitments shall, on the Collateralized L/C Collateral Deficiency Correction Date, make Revolving Loans that are Base Rate Loans in the amount of such Collateralized L/C Collateral Deficiency, the proceeds of which shall be transferred directly by the Administrative Agent to a Collateralized L/C Collateral Account; *provided, further*, if for any reason (including, without limitation, by reason of exceeding the Revolving Commitments) proceeds of Revolving Loans are not received by the Administrative Agent on the Collateralized L/C Collateral Deficiency Correction Date in an amount equal to the amount of such Collateralized L/C Collateral Deficiency, then the Borrower shall, on the Collateralized L/C Collateral Deficiency Correction Date, pay to the Administrative Agent an amount in Dollars and in same day funds equal to the Collateralized L/C True-Up Amount with respect to all Letters of Credit that are Collateralized Letters of Credit on such date. Upon receipt by the Administrative Agent of an amount in Dollars and in same day funds equal to the Collateralized L/C True-Up Amount with respect to all Letters of Credit that are Collateralized Letters of Credit on such date, each Letter of Credit that is a Collateralized Letter of Credit on such date shall cease to be a Collateralized Letter of Credit for purposes of this Agreement and the Collateralized L/C Security Documents and shall be a Non-Collateralized Letter of Credit as of such date. Nothing in this Section 2.02(l)(vi) shall be deemed to relieve any Lender with a Revolving Commitment from its obligation to make Revolving Loans on the terms and conditions set forth herein, and the Borrower shall retain any and all rights it may have against any such Lender resulting from the failure of such Lender to make such Revolving Loans under this Section 2.02(l)(vi).

(m) Limited Fronting Lenders and Participating Lenders. In the event that, and for so long as, any Lender acts as a Limited Fronting Lender on behalf of any Participating Lender:

(i) such Limited Fronting Lender, in reliance upon the obligations of such Participating Lender contained in this Section 2.02(m), with respect to each Letter of Credit issued hereunder, (A) shall be an issuing bank under such Letter of Credit in place of such Participating Lender and (B) shall have a several (but not joint) obligation in respect of an amount of such Letter of Credit equal to the sum of (1) such Limited Fronting Lender's Pro Rata Share of the aggregate undrawn amount of such Letter of Credit, *plus* (2) the product of the applicable Limited Fronting Percentage and such Participating Lender's Pro Rata Share of the aggregate undrawn amount of such Letter of Credit;

(ii) 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 such Limited Fronting Lender or such Participating Lender, such Limited Fronting Lender hereby grants to such Participating Lender, and such Participating Lender hereby acquires from such Limited Fronting Lender, a participation in such Letter of Credit equal to the product of the applicable Limited Fronting Percentage and such Participating Lender's Pro Rata Share of the aggregate undrawn amount of such Letter of Credit. In consideration and in furtherance of the foregoing, such Participating Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of such Limited Fronting Lender, the product of the applicable Limited Fronting Percentage and such Participating Lender's Pro Rata Share of each L/C Disbursement made by such Limited Fronting Lender under such Letter of Credit and not reimbursed by the Borrower on the Reimbursement Date, or of any reimbursement payment required to be refunded to the Borrower for any reason. Such Participating Lender acknowledges and agrees that its obligation to acquire participations pursuant to this Section 2.02(m)(ii) 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 Event of Default or any reduction or termination of the Revolving Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. To the extent that such Participating Lender has made payments pursuant to this Section 2.02(m)(ii) to reimburse such Limited Fronting Lender in respect of any participation interests purchased hereunder in respect of any Letter of Credit, promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to Section 2.02(h) in respect of such Letter of Credit, the Administrative Agent shall distribute such payment to such Limited Fronting Lender and such Participating Lender, in each case as their interests may appear. Any payment made by such Participating Lender in respect of its participation pursuant to this paragraph to reimburse such Limited Fronting Lender for any payment made in any respect of any drawing under a Letter of Credit shall not relieve the Borrower of its obligation to reimburse the amount of such drawing pursuant to the terms of this Agreement;

(iii) such Limited Fronting Lender shall not issue any Letter of Credit hereunder if such Participating Lender is a Defaulting Lender unless such Limited Fronting Lender has entered into arrangements satisfactory to it with the Borrower and/or such Participating Lender to eliminate such Limited Fronting Lender's risk with respect to such Participating Lender in respect of each Letter of Credit hereunder; and

(iv) any reference in this Agreement or any other Loan Document to the issuance by such Participating Lender of a letter of credit pursuant to this Agreement shall be deemed to refer to the issuance by such Limited Fronting Lender of such letter of credit in place of such Participating Lender pursuant to this Section 2.02(m).

Section 2.03 *Pro Rata Shares.* All Revolving Loans shall be made, and all Letters of Credit issued, by Lenders simultaneously and proportionately to their respective Pro Rata Shares

(subject to Section 2.02(m)), it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Revolving Loan or issue a Letter of Credit requested hereunder nor shall any Revolving Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Revolving Loan or issue a Letter of Credit requested hereunder, except, in each case, as provided in Section 2.02(d).

Section 2.04 *Conversion and Continuation of Revolving Loans.*

(a) Each conversion of Revolving Loans from one Interest Type to the other, and each continuation of SOFR Loans, shall be made upon the Borrower's irrevocable written notice to the Administrative Agent in the form of a Conversion/Continuation Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each such Conversion/Continuation Notice must be received by the Administrative Agent not later than 12:00 noon (New York City time) three (3) Business Days prior to the requested date of any conversion to or continuation of SOFR Loans or of any conversion of SOFR Loans to Base Rate Loans. Except as otherwise provided herein, a SOFR Loan may be continued or converted only on the last day of an Interest Period for such SOFR Loan. The Administrative Agent shall determine the interest rate that shall apply to any converted or continued SOFR Loans pursuant to Section 2.07(c).

(b) Each Conversion/Continuation Notice shall specify (i) whether the Borrower is requesting a conversion of Revolving Loans from one Interest Type to the other, or a continuation of SOFR Loans, (ii) the requested date of the conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Revolving Loans to be converted or continued, (iv) the Interest Type of Revolving Loans to which existing Revolving Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto (each such Interest Period shall comply with the provisions of the definition of "Interest Period").

(c) Notwithstanding any contrary provision hereof, if (i) an Event of Default of the type described in Section 8.01(a), (f) or (g) has occurred and is continuing, unless the Required Lenders otherwise consent or (ii) any other Event of Default has occurred and is continuing and the Required Lenders have so requested, each Revolving Loan will be converted into a Base Rate Loan at the end of the Interest Period applicable thereto.

Section 2.05 *Notes; Loan Accounts.*

(a) Each Revolving Loan made by each Lender shall be evidenced by one or more loan accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The loan accounts or records maintained by the Administrative Agent and each Lender shall be conclusive evidence of the amount of the Revolving Loans made by the Lenders to the Borrower and the interest and payments thereon absent manifest error. Any failure so to record or any error in doing so shall not, however, limit or otherwise affect the obligations of the Borrower hereunder to pay any amount owing with respect to the Revolving Loans made to the Borrower. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

(b) Upon the request of any Lender made through the Administrative Agent, instead of or in addition to loan accounts, the Revolving Loans made by each Lender may be evidenced by one or more Revolving Loan Notes. Each Lender shall endorse on the schedules annexed to its Revolving Loan Note the date, amount and maturity of each Revolving Loan deemed made by it and the amount of each payment of principal made by the Borrower with respect thereto. Each such Lender is irrevocably authorized by the Borrower to endorse its Revolving Loan Note and each Lender's record shall be conclusive absent manifest error; *provided* that the failure of a Lender to make, or an error in making, a notation thereon with respect to the Revolving Loan shall not limit or otherwise affect the obligations of the Borrower hereunder or under any such Revolving Loan Note to such Lender.

Section 2.06 *Prepayments.*

(a) Optional Prepayments. The Borrower will have the right at any time to prepay any Loan in whole or in part, in minimum amounts of \$2,500,000 or any multiple of \$1,000,000 in excess thereof, subject to the provisions of this Section 2.06.

(b) Voluntary Commitment Reductions.

(i) The Borrower may, upon not less than three (3) Business Days' prior written or telephonic notice to the Administrative Agent (or such shorter period of time as may be agreed to by the Administrative Agent), at any time and from time to time terminate in whole or permanently reduce in part, without premium or penalty, the Revolving Commitments in an amount up to the amount by which the Revolving Commitments exceed the Total Utilization of Revolving Commitments at the time of such proposed termination or reduction; *provided* that any such partial reduction of the Revolving Commitments shall be in an aggregate minimum amount of \$5,000,000 and integral multiples of \$1,000,000 in excess of that amount.

(ii) The Borrower's notice to the Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and shall reduce the Revolving Commitment of each Lender proportionately to its Pro Rata Share thereof.

(c) Mandatory Prepayments. The Borrower shall from time to time prepay the Revolving Loans and/or Cash Collateralize the Letters of Credit to the extent necessary so that the Total Utilization of Revolving Commitments shall not at any time exceed the Revolving Commitments then in effect.

(d) Application of Prepayments.

(i) Any prepayment of the Revolving Loan pursuant to Section 2.06(a) shall be applied to repay outstanding Revolving Loans owing by the Borrower making such prepayment to the full extent thereof.

(ii) Any prepayment of Revolving Loans pursuant to Section 2.06(c) shall be applied as follows:

- (1) *first*, to prepay the Revolving Loans to the full extent thereof without any permanent reduction of the Revolving Commitments; and
- (2) *second*, to prepay outstanding reimbursement obligations with respect to Letters of Credit without any permanent reduction of the Revolving Commitments;
- (3) *third*, to Cash Collateralize Letters of Credit making such prepayment without any permanent reduction of the Revolving Commitments; and
- (4) *fourth*, to the Borrower.

(e) Notice of Prepayments. The Borrower shall notify the Administrative Agent in the form of a Prepayment Notice of any prepayment of any Loan hereunder not later than 12:00 noon (New York City time) one (1) Business Day before the date of prepayment. Each such Prepayment Notice shall be irrevocable (other than to the extent provided in connection with refinancing the Obligations) and shall specify the prepayment date and the principal amount of each Loan or portion thereof to be prepaid.

(f) Application of Prepayments of Revolving Loans to Base Rate Loans and SOFR Loans Considering each Class of Revolving Loans being prepaid separately, any prepayment thereof shall be applied first to Base Rate Loans to the full extent thereof before application to SOFR Loans, in each case in a manner which minimizes the amount of any payments required to be made by the Borrower pursuant to Section 3.04.

Section 2.07 *Interest.*

(a) Except as otherwise set forth herein, each Class of Revolving Loans shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows:

- (i) if a Base Rate Loan, at the Base Rate *plus* the Applicable Margin; or
- (ii) if a SOFR Loan, at Adjusted Term SOFR *plus* the Applicable Margin.

(b) The basis for determining the rate of interest with respect to any Revolving Loan, and the Interest Period with respect to any SOFR Loan, shall be selected by the Borrower and notified to the Administrative Agent and Lenders pursuant to the applicable Loan Notice or Conversion/Continuation Notice, as the case may be; *provided* that the Borrower may not select Term SOFR for any Credit Extension if the aggregate amount of such Credit Extension is less than \$1,000,000.

(c) In connection with SOFR Loans there shall be no more than eight (8) Interest Periods outstanding at any time. In the event the Borrower fails to specify between a Base Rate Loan or a SOFR Loan in the applicable Loan Notice or Conversion/Continuation Notice, such Revolving Loan (if outstanding as a SOFR Loan) will be automatically converted into a Base Rate Loan on the last day of the then-current Interest Period for such Revolving Loan (or if outstanding as a Base Rate Loan will remain as, or (if not then outstanding) will be made as, a Base Rate Loan). In the event the Borrower fails to specify an Interest Period for any SOFR Loan in the applicable Loan Notice or Conversion/Continuation Notice (or fails to deliver a Conversion/Continuation Notice within the time limits provided in Section 2.04(a)), the Borrower shall be deemed to have selected an Interest Period of one (1) month. As soon as practicable after 10:00 a.m. (New York City time) on each Interest Rate Determination Date, the Administrative Agent shall determine (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) the interest rate that shall apply to the SOFR Loans for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to the Borrower and each Lender. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in the Administrative Agent's prime commercial lending rate used in determining the Base Rate promptly following the public announcement of such change.

(d) The Borrower agrees to pay to each Lender, with respect to any L/C Disbursement on behalf of the Borrower, interest on the amount paid by such Lender in respect of each such L/C Disbursement from the date of such L/C Disbursement to but excluding the date such amount is reimbursed by or on behalf of the Borrower at a rate equal to (i) for the period from the date of such L/C Disbursement to but excluding the applicable Reimbursement Date, the rate of interest otherwise payable hereunder with respect to Revolving Loans that are Base Rate Loans, and (ii) thereafter, a rate which is 2.00% *per annum* in excess of the rate of interest otherwise payable hereunder with respect to Revolving Loans that are Base Rate Loans.

(e) Interest payable pursuant to Section 2.07(d) shall be computed on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed in the period during which it accrues, and shall be payable in Dollars on demand or, if no demand is made, on the date on which the related drawing under a Letter of Credit is reimbursed in full. Promptly upon receipt by the Administrative Agent of any payment of interest pursuant to Section 2.07(d), the Administrative Agent shall distribute to each Lender with respect to such L/C Disbursement such Lender's Pro Rata Share of any interest received by the Administrative Agent in respect of such Lender's Pro Rata Share of such L/C Disbursement for the period from the date on which such L/C Disbursement was made by Lenders to but excluding the date on which such L/C Disbursement is reimbursed by the Borrower.

(f) Notwithstanding the foregoing, if any principal of or interest on any Revolving Loan or any fee or other amount payable by the Borrower pursuant to any Loan Document is not paid when due, whether upon acceleration or otherwise, such overdue amount shall, without further notice, bear interest, after as well as before judgment to the extent permitted by law, at a rate *per annum* equal to (i) in the case of overdue principal of any Revolving Loan, 2.00% plus the rate otherwise applicable to such Revolving Loan as provided in the preceding subsections of this

Section 2.07 and (ii) in the case of any other amount, 2.00% *plus* the rate otherwise applicable to Base Rate Loans as provided in the preceding subsections of this Section 2.07.

(g) Interest on each Revolving Loan shall be paid in arrears by the Borrower on each Interest Payment Date for such Revolving Loan; *provided that* (i) interest accrued pursuant to Section 2.07(f) shall be payable on demand of the Administrative Agent, (ii) upon any repayment or prepayment of any Revolving Loan, interest accrued on the principal amount repaid shall be payable on the date of such repayment and (iii) upon any conversion of a SOFR Loan before the end of the current Interest Period therefor, interest accrued on such Revolving Loan shall be payable on the effective date of such conversion.

(h) Anything herein to the contrary notwithstanding, the obligations of the Borrower to any Lender hereunder shall be subject to the limitation that payments of interest shall not be required for any period for which interest is computed hereunder to the extent (but only to the extent) that contracting for or receiving such payment by such Lender would be contrary to the provisions of any law applicable to such Lender limiting the highest rate of interest that may be lawfully contracted for, charged or received by such Lender, and in such event the Borrower shall pay such Lender interest at the highest rate permitted by applicable law until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Revolving Loans made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, the Borrower shall pay to the Administrative Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have been paid if the highest rate of interest that may be lawfully contracted for, charged or received had at all times been in effect. Notwithstanding the foregoing, it is the intention of Lenders and the Borrower to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the highest rate of interest that may be lawfully contracted for, charged or received by such Lender, then any such excess shall be cancelled automatically and, if previously paid, shall at such Lender's option be applied to the outstanding amount of the Revolving Loans made hereunder or be refunded to the Borrower.

(i) Term SOFR Conforming Changes. In connection with the use or administration of Term SOFR, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document, unless the Administrative Agent has received, within five Business Days of the date notice of such amendments is provided to the Borrower, a written notice from the Borrower objecting to such amendments. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of Term SOFR.

Section 2.08 *Fees.*

(a) The Borrower agrees to pay to Lenders:

(i) commitment fees equal to (1) the average of the daily difference between (A) the Revolving Commitments and (B) the aggregate principal amount of (x) all outstanding Revolving Loans *plus* (y) the Letter of Credit Usage, *multiplied by* (2) the Applicable Revolving Commitment Fee Percentage;

(ii) letter of credit fees equal to (1) the Applicable Non-Collateralized Letter of Credit Fee, *multiplied by* (2) the average aggregate daily maximum amount available to be drawn under all Non-Collateralized Letters of Credit (regardless of whether any conditions for drawing could then be met and determined as of the close of business on any date of determination, but in any event expressly including all Non-Collateralized Letters of Credit which may have been drawn, to the extent not yet reimbursed pursuant to Section 2.02(h)); and

(iii) letter of credit fees equal to (1) the Collateralized Letter of Credit Fee, *multiplied by* (2) the average aggregate daily maximum amount available to be drawn under all Collateralized Letters of Credit (regardless of whether any conditions for drawing could then be met and determined as of the close of business on any date of determination, but in any event expressly including all Collateralized Letters of Credit which may have been drawn, to the extent not yet reimbursed pursuant to Section 2.02(h)). All fees referred to in this Section 2.08(a) shall be paid in Dollars to the Administrative Agent at the Administrative Agent's Office and upon receipt, the Administrative Agent shall promptly distribute to each Lender (including each Participating Lender) its Pro Rata Share thereof.

(b) The Borrower agrees to pay directly to the Administrative Agent, for its own account, the following fees:

(i) a letter of credit issuance fee of \$^[**] per Letter of Credit issued; and

(ii) such documentary and processing charges for any issuance, amendment, transfer or payment of a Letter of Credit as are in accordance with the Administrative Agent's standard schedule for such charges and as in effect at the time of such issuance, amendment, transfer or payment, as the case may be.

(c) All fees referred to in Section 2.08(a) and 2.08(b) shall be calculated pursuant to the second sentence of Section 2.09(a). The commitment fee referred to in Section 2.08(a)(i) shall be payable quarterly in arrears on the last Business Day of March, June, September and December of each year during the Revolving Commitment Period, commencing on the first such date to occur after the Effective Date, and on the Commitment Termination Date. The fees referred to in Sections 2.08(a)(ii), 2.08(a)(iii) and 2.08(b) shall be payable quarterly in arrears on the last Business Day of March, June, September and December of each year during the period from the Effective Date to but excluding the later of the Commitment Termination Date and the date on which there ceases to be any Letter of Credit Usage, commencing on the first such date to occur after the Effective Date, and on the later of the Commitment Termination Date and the date on

*[**]=Certain information contained in this document, marked by "[**]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

which there ceases to be any Letter of Credit Usage; *provided* that any such fees accruing after such later date shall be payable on demand.

(d) In addition to the foregoing, the Borrower shall pay to the Administrative Agent for its own account, fees payable in the amounts and at the times separately agreed upon by the Borrower and the Administrative Agent. Such fees shall be fully earned when paid and shall not be refundable under any circumstances.

Section 2.09 *Computation of Fees and Interest.*

(a) All computations of interest for Base Rate Loans when the Base Rate is determined by the Administrative Agent's prime commercial lending rate shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed. Interest and fees shall accrue during each period in which such interest or fees are computed from the first day thereof to the last day thereof.

(b) Each determination of an interest rate by the Administrative Agent shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent will, at the request of the Borrower or any Lender, deliver to the Borrower or such Lender, as the case may be, a statement showing the quotations used by the Administrative Agent in determining any interest rate and the resulting interest rate.

Section 2.10 *Payments Generally.*

(a) All payments to be made by the Borrower under the Loan Documents shall be made without condition or deduction for any defense, set-off, recoupment or counterclaim. Except as otherwise expressly provided in any Loan Document, all payments to be made by the Borrower under any Loan Document shall be made to the Administrative Agent for the account of the Lenders at the Administrative Agent's Office, and shall be made in dollars and in immediately available funds, no later than 2:00 p.m. (New York City time) on the date specified in such Loan Document. The Administrative Agent will promptly distribute to each Lender its Pro Rata Share (or other applicable share as expressly provided herein) of such payment in like funds as received. Any payment received by the Administrative Agent later than 2:00 p.m. (New York City time) shall be deemed to have been received on the following Business Day and any applicable interest or fee shall continue to accrue.

(b) Subject to the provisions set forth in the definition of "Interest Period" herein, whenever any payment is due on a day other than a Business Day, such payment shall be made on the following Business Day, and such extension of time shall in such case be included in the computation of interest or fees, as the case may be.

(c) Unless the Borrower or any Lender has notified the Administrative Agent, prior to the date any payment is required to be made by it to the Administrative Agent hereunder, that the Borrower or such Lender, as the case may be, will not make such payment, the Administrative Agent may assume that the Borrower or such Lender, as the case may be, has timely made such

payment and may (but shall not be so required to), in reliance thereon, make available a corresponding amount to the Person entitled thereto. If and to the extent that such payment was not in fact made to the Administrative Agent in immediately available funds, then:

(i) if the Borrower failed to make such payment, each Lender shall forthwith on demand repay to the Administrative Agent the portion of such assumed payment that was made available to such Lender in immediately available funds, together with interest thereon in respect of each day from and including the date such amount was made available by the Administrative Agent to such Lender to the date such amount is repaid to the Administrative Agent in immediately available funds at the Federal Funds Rate from time to time in effect; and

(ii) if any Lender failed to make such payment, such Lender shall forthwith on demand pay to the Administrative Agent the amount thereof in immediately available funds, together with interest thereon for the period from the date such amount was made available by the Administrative Agent to the Borrower to the date such amount is recovered by the Administrative Agent (the "**Compensation Period**") at the customary rate set by the Administrative Agent for the correction of errors among banks for three (3) Business Days and thereafter at the Base Rate. If such Lender pays such amount to the Administrative Agent, then such amount (other than the interest thereon) shall constitute such Lender's Revolving Loan included in the applicable Credit Extension. If such Lender does not pay such amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent may make a demand therefor upon the Borrower, and the Borrower shall pay such amount to the Administrative Agent, together with interest thereon for the Compensation Period at a rate *per annum* equal to the applicable rate for Base Rate Loans to the applicable Credit Extension. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Revolving Commitments or to prejudice any rights that the Administrative Agent or the Borrower may have against any Lender as a result of any default by such Lender hereunder.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (c) shall be conclusive, absent manifest error.

(d) If any Lender makes available to the Administrative Agent funds for any Revolving Loan to be made by such Lender as provided in the foregoing provisions of this Article 2, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the extension of Revolving Loans set forth in Article 4 are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(e) The obligations of the Lenders hereunder to make Revolving Loans are several and not joint. The failure of any Lender to make any Revolving Loan on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Revolving Loans.

(f) Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Revolving Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for the Revolving Loan in any particular place or manner.

Section 2.11 *Sharing of Payments by Lenders.*

(a) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment (i) on account of any Obligations due and payable hereunder and under the other Loan Documents at such time resulting in such Lender receiving payment in excess of its ratable share (calculated according to the proportion of (A) the amount of such Obligations due and payable to such Lender at such time to (B) the aggregate amount of the Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time or (ii) of or on account of any of Obligations owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (calculated according to the proportion of (A) the amount of such Obligations owing (but not due and payable) to such Lender at such time to (B) the aggregate amount of Obligations owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of Obligations owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time, then, in each case, such Lender shall (x) notify the Administrative Agent of such fact, and (y) purchase (for cash at face value) participations in the Obligations of the other Lenders due and payable or owing, as the case may be, or make such other adjustments as shall be equitable, so that the benefit of such excess payments shall be shared by all such Lenders; *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 Section 2.11 shall not be construed to apply to (1) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or (2) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Revolving Loans to any assignee or participant.

(b) Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of set-off and counterclaim (subject to Section 10.09) with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation.

Section 2.12 *Defaulting Lenders.*

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article 8 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.09 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first*, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second*, as the Borrower may request (so long as no Default or Event of Default shall have occurred and be continuing), to the funding of any Revolving Loan or L/C Disbursement on a pro rata basis 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; *third*, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Revolving Loans and L/C Disbursements on a pro rata basis under this Agreement; *fourth*, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *fifth*, so long as no Event of Default shall have occurred and be continuing, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *sixth*, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Revolving Loans or reimbursement obligations with respect to Letters of Credit in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Revolving Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Revolving Loans of, and reimbursement obligations with respect to Letters of Credit owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Revolving Loans of, or reimbursement obligations with respect to Letters of Credit owed to, such Defaulting Lender until such time as all Revolving Loans and funded and unfunded Letters of Credit are held by the Lenders pro rata in accordance with the applicable Revolving Commitments without giving effect to Section 2.12(a)(iii). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(ii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive any fee pursuant to Section 2.08(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) With respect to any fees not required to be paid to any Defaulting Lender pursuant to clause (i) above, the Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's Pro Rata Share of Letters of Credit that has been reallocated to such Non-Defaulting Lender pursuant to clause (iii) below and (y) not be required to pay the remaining amount of any such fee.

(iii) Reallocation of Letters of Credit With respect to any Letter of Credit outstanding at the time such Lender becomes a Defaulting Lender, with the consent of the beneficiary thereunder to the extent required under applicable law (including, if applicable, the Uniform Customs and Practices for Documentary Credits governing such Letter of Credit), but only if there has not occurred and shall not be continuing any Default or Event of Default unless all Non-Defaulting Lenders shall otherwise agree, (A) all or any part of such Defaulting Lender's Pro Rata Share of the outstanding Obligations with respect to Letters of Credit shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Shares but only to the extent (1) the sum of all Non-Defaulting Lenders' Revolving Exposures plus such Defaulting Lender's Revolving Exposure does not exceed the total of all Non-Defaulting Lenders' Revolving Commitments and (2) the sum of each Non-Defaulting Lender's Revolving Exposure plus the amount of such Defaulting Lender's Revolving Exposure reallocated to such Non-Defaulting Lender does not exceed such Non-Defaulting Lender's Revolving Commitment and (B) each such Letter of Credit shall be amended by the Administrative Agent to specify the Lenders that are parties to such Letter of Credit (excluding, for avoidance of doubt, such Lender), after giving effect to such event, and such Lenders' respective Pro Rata Shares as of the effective date of such amendment. Subject to Section 10.23, no reallocation pursuant to this Section 2.12(a)(iii) shall constitute a waiver or release of any claim by any party hereto against such Defaulting Lender arising from such Lender becoming a Defaulting Lender.

(b) Defaulting Lender Cure. If the Borrower and the Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon, as of the effective date specified in such notice, and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), such Lender will, to the extent applicable, purchase at par that portion of outstanding Revolving Loans and Letters of Credit of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Loans and funded and unfunded Letters of Credit to be held pro rata by the Lenders in accordance with the applicable Revolving Commitments (without giving effect to Section 2.12(a)(iii)), whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting

Lender; and *provided, further*, that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

(c) New Letters of Credit. So long as any Lender is a Defaulting Lender, the Pro Rata Shares of the Lenders in respect of any newly issued Letter of Credit shall be allocated among Non-Defaulting Lenders in a manner consistent with Section 2.12(a)(iii) above (and such Defaulting Lender shall have no obligation under each such Letter of Credit to the extent such Pro Rata Shares in respect thereof are so reallocated).

(d) Lender Counterparties. So long as any Lender is a Defaulting Lender, such Lender shall not be a contractual counterparty with respect to any Guaranteed Swap Contract entered into while such Lender was a Defaulting Lender.

Section 2.13 *Maturity Extensions of Revolving Loans.*

(a) The Borrower may, on each of the first and second anniversaries of the Effective Date, pursuant to the provisions of this Section 2.13, agree with one or more Lenders holding Revolving Loans and Revolving Commitments of any Class to extend the Commitment Termination Date of such Class of Loans for an additional one year period from such Commitment Termination Date and to provide for other terms consistent with this Section 2.13 (each such modification, an “**Extension**”) pursuant to a written offers (each, an “**Extension Offer**”) made by the Borrower to all Lenders under such Class that is proposed to be extended under this Section 2.13, in each case on a pro rata basis (based on the relative principal amounts of the outstanding Revolving Commitments of each Lender in such Class) and on the same terms to each such Lender. In connection with each Extension, the Borrower will provide notification to the Administrative Agent (for distribution to the Lenders of the applicable Class) of the requested new termination date for the extended Revolving Loans and Revolving Commitments of such Class (each, an “**Extended Termination Date**”) and the due date for Lender responses, which due date shall be no sooner than ten (10) Business Days after delivery of such notice by the Borrower. In connection with any Extension, each Lender of the applicable Class wishing to participate in such Extension shall, prior to such due date, provide the Administrative Agent with a written notice thereof in a form reasonably satisfactory to the Administrative Agent. Any Lender that does not respond to an Extension Offer by the applicable due date shall be deemed to have rejected such Extension. In connection with any Extension, the Borrower shall agree to such procedures, if any, as may be reasonably established by, or acceptable to, the Administrative Agent to accomplish the purposes of this Section 2.13.

(b) After giving effect to any Extension, the Revolving Commitments so extended shall cease to be a part of the Class of which they were a part immediately prior to the Extension and shall be a new Class hereunder; *provided* that at no time shall there be more than four (4) different Classes of Revolving Commitments *provided, further*, that, (i) all Credit Extensions and all prepayments of Revolving Loans shall continue to be made on a ratable basis among all Lenders, based on the relative amounts of their Revolving Commitments, until the repayment of the Revolving Loans attributable to the non-extended Revolving Commitments on the applicable Commitment Termination Date, (ii) the allocation of the outstanding Obligations with respect to

any then-existing or subsequently issued or made Letter of Credit as between the Revolving Commitments of such new "Class" and the remaining Revolving Commitments shall be made on a ratable basis in accordance with the relative amounts thereof until the applicable Commitment Termination Date has occurred, (iii) no termination of Extended Revolving Commitments and no repayment of Extended Revolving Loans accompanied by a corresponding permanent reduction in Extended Revolving Commitments shall be permitted unless such termination or repayment (and corresponding reduction) is accompanied by at least a pro rata termination or permanent repayment (and corresponding pro rata permanent reduction), as applicable, of the Existing Revolving Loans and Existing Revolving Commitments (or all Existing Revolving Commitments of such Class and related Existing Revolving Loans shall have otherwise been terminated and repaid in full) and (iv) with respect to Letters of Credit, the Commitment Termination Date with respect to the Revolving Commitments may not be extended without the prior written consent of the Administrative Agent. If the Total Utilization of Revolving Commitments exceeds the Revolving Commitments as a result of the occurrence of the Commitment Termination Date (or the applicable Extended Termination Date with respect to any Class of Revolving Loans or Class of Revolving Commitments extended pursuant to this Section 2.13) while an extended Class of Revolving Commitments remains outstanding, the Borrower shall make such payments as are necessary in order to eliminate such excess on such date.

(c) The consummation and effectiveness of each Extension shall be subject to the following:

(i) no Default or Event of Default shall have occurred and be continuing at the time any Extension Offer is delivered to the Lenders or at the time of such Extension (after giving effect to such Extension);

(ii) the Revolving Loans or Revolving Commitments, as applicable, of any Lender extended pursuant to any Extension (as applicable, "**Extended Revolving Loans**" or "**Extended Revolving Commitments**") shall have the same terms as the Class of Revolving Loans or Revolving Commitments, as applicable, subject to the related Extension Amendment (as applicable, "**Existing Revolving Loans**" or "**Existing Revolving Commitments**"); except (A) the final maturity date of any Extended Revolving Commitments of a Class to be extended pursuant to an Extension may be later than the Latest Maturity Date at the time of such Extension, and the Weighted Average Life to Maturity of any Extended Revolving Commitments of a Class to be extended pursuant to an Extension shall be no shorter than the Weighted Average Life to Maturity of the Class of Existing Revolving Commitments, as applicable, subject to the Latest Maturity Date at the time of such Extension; (B) the all-in pricing (including, without limitation, margins, fees and premiums) with respect to the Extended Revolving Loans or Extended Revolving Commitments, as applicable, may be higher or lower than the all-in pricing (including, without limitation, margins, fees and premiums) for the Existing Revolving Loans or Existing Revolving Commitments, as applicable; (C) the revolving credit commitment fee rate with respect to the Extended Revolving Commitments may be higher or lower than the revolving credit commitment fee rate for Existing Revolving Commitments, in each case, to the extent provided in the applicable Extension Amendment; (D) no repayment of any

Extended Revolving Loans or Extended Revolving Commitments, as applicable, shall be permitted unless such repayment is accompanied by an at least pro rata repayment of all earlier maturing Loans (including previously extended Loans) (or all earlier maturing Loans (including previously extended Loans) shall otherwise be or have been terminated and repaid in full); (E) the Extended Revolving Loans and/or Extended Revolving Commitments may contain a "most favored nation" provision for the benefit of Lenders holding Extended Revolving Commitments; and (F) the other terms and conditions applicable to Extended Revolving Loans and/or Extended Revolving Commitments may be terms different than those with respect to the Existing Revolving Loans or Existing Revolving Commitments, as applicable, so long as such terms and conditions only apply after the Latest Maturity Date; *provided, further*, that each Extension Amendment may, without the consent of any Lender other than the applicable extending Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the opinion of the Administrative Agent and the Borrower, to give effect to the provisions of this Section 2.13, including any amendments necessary to treat the applicable Loans and/or Revolving Commitments of the extending Lenders as a new "Class" of loans and/or commitments hereunder; *provided, however*, that no Extension Amendment may provide for any Class of Extended Revolving Commitments to be secured by any assets of any Restricted Subsidiary that do not also secure the Existing Revolving Commitments;

(iii) all documentation in respect of such Extension shall be consistent with the foregoing, and all written communications by the Borrower generally directed to the applicable Lenders under the applicable Class in connection therewith shall be in form and substance consistent with the foregoing and otherwise reasonably satisfactory to the Administrative Agent;

(iv) the aggregate amount of the Extended Revolving Commitments extended pursuant to such Extension shall be more than 50% of the aggregate amount of the Revolving Commitments in effect immediately prior to such Extension; and

(v) no Extension shall become effective unless, on the proposed effective date of such Extension, the conditions precedent set forth in Section 4.02(a), (b) and (c) shall be satisfied (with all references in such Section to the making of a Loan being deemed to be references to the Extension on the applicable date of such Extension), and the Administrative Agent shall have received a certificate to that effect dated the applicable date of such Extension and executed by a Responsible Officer of the Borrower.

(d) For the avoidance of doubt, it is understood and agreed that the provisions of Section 2.08 and Section 10.04 will not apply to any payment of interest or fees in respect of any Extended Revolving Commitments that have been extended pursuant to an Extension at a rate or rates different from those paid or payable in respect of Revolving Loans of any other Class, in each case as is set forth in the relevant Extension Offer made pursuant to and in accordance with the provisions of this Section 2.13 with respect to such Extensions of Revolving Commitments.

(e) No Lender who rejects any request for an Extension shall be deemed a Non-Consenting Lender for purposes of Section 10.14.

(f) The Lenders hereby irrevocably authorize the Administrative Agent to enter into amendments (collectively, "**Extension Amendments**") to this Agreement and the other Loan Documents as may be necessary in order to establish new Classes of Revolving Commitments created pursuant to an Extension, in each case on terms consistent with this Section 2.13, so long as the Lenders shall have received at least five (5) Business Days' prior written notice of any Extension Amendment 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 Extension Amendment; *provided*, that all such Extension Amendments entered into with the Borrower by the Administrative Agent hereunder shall be binding on the Lenders. Without limiting the foregoing, in connection with any Extension, (i) the Borrower and the appropriate Guarantors and Subsidiaries shall (at their expense) amend (and the Administrative Agent is hereby directed to amend) any Loan Document that the Administrative Agent reasonably requests to be amended to reflect the then latest Extended Termination Date and (ii) the Borrower and the appropriate Guarantors and Subsidiaries shall deliver such board resolutions, secretary's certificates, officer's certificates and other documents as shall reasonably be requested by the Administrative Agent in connection therewith and, if requested by the Administrative Agent, a legal opinion of counsel in form and substance reasonably acceptable to the Administrative Agent.

(g) Promptly following the consummation and effectiveness of any Extension, the Borrower will furnish to the Administrative Agent (who shall promptly furnish to each Lender) written notice setting forth the Extended Termination Date and material economic terms of the Extension and the aggregate principal amount of each Class of Revolving Loans and Revolving Commitments after giving effect to the Extension and attaching a copy of the fully executed Extension Amendment.

Section 2.14 Provisions Relating to NAIC Approved Banks. If, at any time from and after the Effective Date, any Lender is not or ceases to be a NAIC Approved Bank, such Lender shall promptly notify the Borrower and the Administrative Agent thereof. Each Lender agrees to use commercially reasonable efforts, at all times from and after the Effective Date, (a) to be a NAIC Approved Bank or (b) if such Lender is not or ceases to be a NAIC Approved Bank, (i) to maintain in effect a Confirming Bank Agreement with a Confirming Bank (which Confirming Bank (if not a Lender), prior to entering into such Confirming Bank Agreement, shall be subject to the prior written consent of the Borrower and the Administrative Agent (such consent, in each case, not to be unreasonably withheld)) upon such terms and conditions as such parties may agree or (ii) to maintain in effect a Limited Fronting Lender Agreement with a Limited Fronting Lender upon such terms and conditions as such parties may agree. In the event that any Person (including any other Lender) agrees to act as a Confirming Bank or a Limited Fronting Lender for any Lender which is a Non-NAIC Approved Bank, such other Person shall receive such compensation therefor as such Non-NAIC Approved Bank and such Person may agree. If any Lender shall enter into a Confirming Bank Agreement or a Limited Fronting Lender Agreement hereunder at any time, it shall promptly furnish a copy thereof to the Borrower and the Administrative Agent and, thereafter,

promptly notify the Borrower and the Administrative Agent of the termination or expiration of such Confirming Bank Agreement or Limited Fronting Lender Agreement, as the case may be. Notwithstanding anything herein to the contrary, no Lender shall have any obligation to agree to act hereunder as a Confirming Bank or a Limited Fronting Lender for any other Lender.

Section 2.15 *Incremental Facilities.*

(a) The Borrower may, by written notice to the Administrative Agent, elect to request prior to the Commitment Termination Date, an increase to the then-existing Revolving Commitments (any such increase, “**New Revolving Commitments**”), by an amount not in excess of the Increase Amount at such time and not less than \$10,000,000 individually (or such lesser amount which shall be approved by the Administrative Agent or such lesser amount that shall equal the Increase Amount at such time), and integral multiples of \$1,000,000 in excess of that amount. Each such notice shall specify (A) the date (each, an “**Increased Amount Date**”) on which the Borrower proposes that the New Revolving Commitments shall be effective, which shall be a date not less than 10 Business Days after the date on which such notice is delivered to the Administrative Agent and (B) the identity of each Lender or other Person that is an Eligible Assignee (each, a “**New Revolving Loan Lender**”) to whom the Borrower proposes any portion of such New Revolving Commitments be allocated and the amounts of such allocations; *provided* that the Administrative Agent may elect or decline to arrange such New Revolving Commitments in its sole discretion and any Lender approached to provide all or a portion of the New Revolving Commitments may elect or decline, in its sole discretion, to provide a New Revolving Commitment. Such New Revolving Commitments shall become effective as of such Increased Amount Date; *provided* that (1) no Default or Event of Default shall exist on such Increased Amount Date before or after giving effect to such New Revolving Commitments; (2) all of the representations and warranties contained herein or in any Loan Document (other than the representations and warranties contained in Sections 5.04(d) and 5.05) shall be true and correct in all material respects on and as of such Increased Amount Date to the same extent as though made on and as of such Increased Amount Date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; *provided* that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; (3) all New Revolving Commitments shall be effected pursuant to one or more Joinder Agreements executed and delivered by the Borrower, the New Revolving Loan Lender and the Administrative Agent, each of which shall be recorded in the Register and each New Revolving Loan Lender shall be subject to the requirements set forth in Section 3.01(e); (4) Holdings shall make any payments required pursuant to Section 3.04 in connection with the New Revolving Commitments; and (5) the Borrower shall deliver or cause to be delivered any legal opinions or other documents reasonably requested by the Administrative Agent in connection with any such transaction.

(b) On any Increased Amount Date on which New Revolving Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (i) (x) each of the Revolving Lenders shall assign to each of the New Revolving Loan Lenders, and each of the New Revolving Loan Lenders shall purchase from each of the Revolving Lenders, at the principal

amount thereof, such interests in the Revolving Loans outstanding on such Increased Amount Date and (y) each outstanding Letter of Credit shall be amended in accordance with the procedures set forth in Section 2.02(d), in each case as shall be necessary in order that, after giving effect to all such assignments and purchases, the Revolving Exposure will be held by then-existing Revolving Lenders and New Revolving Loan Lenders ratably in accordance with their Revolving Commitments after giving effect to the addition of such New Revolving Commitments to the Revolving Commitments, (ii) each New Revolving Commitment shall be deemed for all purposes a Revolving Commitment and each Loan made thereunder (a “**New Revolving Loan**”) shall be deemed, for all purposes, a Revolving Loan and (iii) each New Revolving Loan Lender shall become a Lender with respect to the New Revolving Commitment and all matters relating thereto. For the avoidance of doubt, the terms and provisions of the New Revolving Loans and New Revolving Commitments shall be documented solely as an increase, and shall be identical, to the then-existing Revolving Commitments.

The Administrative Agent shall notify Lenders promptly upon receipt of the Borrower’s notice of each Increased Amount Date and in respect thereof (x) the New Revolving Commitments and the New Revolving Loan Lenders, and (y) the respective interests in such Lender’s Revolving Loans, in each case subject to the assignments contemplated by this Section 2.15.

ARTICLE 3 TAXES, YIELD PROTECTION AND ILLEGALITY

Section 3.01 *Taxes.*

(a) Payments Free of Indemnified Taxes and Other Taxes. Any and all payments by or on account of any obligation of any Credit Party hereunder or under any other Loan Document shall be made free and clear of and without deduction or withholding for any Taxes, *provided* that if any applicable withholding agent shall be required by applicable law to deduct or withhold any Taxes from such payments, then (i) the applicable withholding agent shall make such deductions or withholdings, (ii) the applicable withholding agent shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and (iii) if such Tax is an Indemnified Tax, the sum payable by the applicable Credit Party shall be increased as necessary so that after all required deductions or withholdings have been made (including deductions applicable to additional sums payable under this Section 3.01) the Administrative Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions or withholdings been made.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Indemnification by the Borrower. Without duplication of the provisions of subsection (a) above, the Borrower shall indemnify the Administrative Agent and each Lender, within ten (10) Business Days after written demand therefor, for the full amount of any Indemnified Taxes in respect of payments under any Loan Document (including Indemnified Taxes imposed on or attributable to amounts payable under this Section 3.01) that are imposed on

or payable by the Administrative Agent or such Lender, as the case may be, and reasonable expenses arising therefrom, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority; *provided*, that the Borrower shall not be required to indemnify the Administrative Agent or a Lender pursuant to this Section 3.01 for any Indemnified Taxes to the extent that such recipient fails to notify the Borrower within 270 days after the date on which such Person has made payment of such Indemnified Taxes; *provided, further*, that, if the Indemnified Taxes imposed or asserted giving rise to such claims are retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof. A certificate setting forth the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(d) Evidence of Payments. As soon as practicable after any payment of Indemnified Taxes by any Credit Party to a Governmental Authority, the Borrower shall deliver to the Administrative Agent 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) Status of Lenders. Each Lender shall deliver to the Borrower and to the Administrative Agent, whenever reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws and such other reasonably requested information as will permit such payments to be made without withholding or at a reduced rate. 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. If any form, certification or other documentation provided by a Lender pursuant to this Section 3.01(e) (including any of the specific documentation described below) expires or becomes obsolete or inaccurate in any respect, such Lender shall promptly notify the Borrower and the Administrative Agent in writing and shall promptly update or otherwise correct the affected documentation or promptly notify the Borrower and the Administrative Agent in writing that such Lender is not legally eligible to do so.

Without limiting the generality of the foregoing,

(A) any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Code shall deliver to the Borrower and the Administrative Agent duly completed and executed copies of IRS Form W-9 or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower or the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon request of the Borrower or the Administrative Agent) as will enable the Borrower or the Administrative Agent, as the case may be, to determine that such Lender is not subject to U.S. federal backup withholding or information reporting requirements;

(B) each Foreign Lender that is entitled under the Code or any applicable treaty to an exemption from or reduction of U.S. federal withholding tax with respect to any payments hereunder or under any other Loan Document shall 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 request of the Borrower or the Administrative Agent), duly completed and executed copies of whichever of the following is applicable:

(i) IRS Form W-8BEN or W-8BEN-E claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(ii) IRS Form W-8ECI (or any successor thereto) claiming that specified payments (as applicable) under this Agreement or any other Loan Documents (as applicable) constitute income that is effectively connected with such Foreign Lender's conduct of a trade or business in the United States,

(iii) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code (the "**Portfolio Interest Exemption**"), (x) a certificate (a "**Tax Status Certificate**"), substantially in the form of Exhibit F-1, to the effect that such Foreign Lender is not (1) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (2) a "10 percent shareholder" of the Borrower, within the meaning of Section 881(c)(3)(B) of the Code or (3) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code, and that no interest to be received is effectively connected with a U.S. trade or business and (y) IRS Form W-8BEN or W-8BEN-E,

(iv) where such Lender is a partnership (for U.S. federal income tax purposes) or otherwise not a beneficial owner (e.g., where such Lender has sold a participation), IRS Form W-8IMY (or any successor thereto), (if so required) a Tax Status Certificate substantially in the form of Exhibit F-2 or Exhibit F-4, IRS Form W-9, and all required supporting documentation (including, where one or more of the underlying beneficial owner(s) is claiming the benefits of the Portfolio Interest Exemption, a Tax Status Certificate of such beneficial owner(s); *provided* that, if the Foreign Lender is a partnership and not a participating Lender, a Tax Status Certificate substantially in the form of Exhibit F-3 from the beneficial owner(s) shall be provided by the Foreign Lender on behalf of the beneficial owner(s)), or

(v) any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in United States federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(C) each Lender shall deliver to the Borrower and the Administrative Agent (in such number of duly completed and executed copies as shall be requested by the recipient), at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation

prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent (1) to comply with the Borrower's and/or Administrative Agent's obligations under FATCA, (2) to determine that such Lender has complied with such Lender's obligations under FATCA and/or (3) to determine the amount to deduct and withhold from any payment under this Agreement or the other Loan Documents pursuant to FATCA. Solely for purposes of this clause (C), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Notwithstanding anything to the contrary in this Section 3.01(e), no Lender shall be required to deliver any documentation that it is not legally eligible to provide.

(f) Status of Administrative Agent. The Administrative Agent shall deliver the following to the Borrower on or before the date on which it becomes the Administrative Agent under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower): (1) if the Administrative Agent is not acting through a U.S. office, (x) executed copies of IRS Form W-8BEN-E with respect to any amounts payable to the Administrative Agent for its own account and (y) executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W-8BEN-E, and/or other certification documents from each beneficial owner, as applicable with respect to any amounts payable to the Administrative Agent for the account of others; provided, however, that no additional amounts for non-U.S. Taxes and non-U.S. Other Taxes shall be payable by the Borrower under Section 3.01 or Section 3.03(a) if such additional amounts or Other Taxes would not have been payable had the Administrative Agent acted through a U.S. office; provided, further, that such additional amounts for Taxes and Other Taxes shall be payable in accordance with Section 3.01 and Section 3.03(a) to the extent that such Taxes that are payable as a result of a change in law that occurred after the date hereof; and (2) if the Administrative Agent is acting through a U.S. office, (x) executed copies of IRS Form W-8ECI with respect to any amounts payable to the Administrative Agent for its own account and (y) executed copies of IRS Form W-8IMY with respect to any amounts payable to the Administrative Agent for the account of others, certifying that it is a "U.S. branch," that the payments its receives for the account of others are not effectively connected with the conduct of its trade or business within the United States and that it is using such form as evidence of its agreement with the Borrower to be treated as a U.S. person with respect to such payments (and the Borrower and the Administrative Agent agree to so treat the Administrative Agent as a U.S. person with respect to such payments as contemplated by Section 1.1441-1(b)(2)(iv) of the United States Treasury Regulations).

(g) Treatment of Certain Refunds. If the Administrative Agent or any Lender determines, in its good faith discretion, that it has received a refund in cash of any Indemnified Taxes as to which it has been indemnified by a Credit Party or with respect to which a Credit Party has paid additional amounts pursuant to this Section 3.01, it shall promptly pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Credit Party under this Section 3.01 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 (including any Taxes), as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that the Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the

amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority (other than any penalties arising from the gross negligence or willful misconduct of the Administrative Agent or the Lender as determined in a final, non-appealable judgment by a court of competent jurisdiction)) 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. Such Lender or Administrative Agent, as the case may be, shall, at the Borrower's reasonable request, provide the Borrower with a copy of any notice of assessment or other evidence reasonably satisfactory to the Borrower of the requirement to repay such refund received from the relevant taxing authority. This subsection 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 that it deems confidential) to the Borrower or any other Person.

Section 3.02 *Illegality.*

(a) If any Lender reasonably and in good faith determines that the introduction of any Requirement of Law, or any change in any Requirement of Law, or in the interpretation or administration of any Requirement of Law, after the Effective Date, has made it unlawful, or that any central bank or other Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make SOFR Loans, then, on notice thereof by the Lender to the Borrower through the Administrative Agent, any obligation of that Lender to make SOFR Loans shall be suspended until the Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist.

(b) If a Lender reasonably and in good faith determines that it is unlawful for such Lender to maintain any SOFR Loan after the Effective Date, on notice thereof by the Lender to the Borrower through the Administrative Agent, such SOFR Loans of that Lender then outstanding, either on the last day of the Interest Period thereof, if the Lender may lawfully continue to maintain such SOFR Loans to such day, or immediately, if the Lender may not lawfully continue to maintain such SOFR Loan, shall convert to a Base Rate Loan on such applicable date and within three (3) Business Days after the Borrower's receipt of such notice the Borrower shall pay to the applicable Lender accrued interest on such SOFR Loan along with all amounts required under Section 3.04.

(c) If the obligation of any Lender to make or maintain SOFR Loans has been so terminated or suspended, the Borrower may elect, by giving notice to the Lenders through the Administrative Agent, that all Revolving Loans which would otherwise be made or maintained by the Lenders as SOFR Loans shall instead be Base Rate Loans.

(d) If any Lender gives a notice pursuant to this Section 3.02, then such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its SOFR Loans hereunder 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 the need for the notice pursuant to this Section 3.02, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender in any material economic, legal or regulatory respect.

(a) If any Lender reasonably and in good faith determines that, due to either (i) the introduction of or any change in or in the interpretation of any law or regulation or (ii) the compliance by that Lender with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law) after the later of (x) the Effective Date and (y) the date such Lender becomes a party to this Agreement, there shall be any increase in the cost (including Taxes, other than (i) Taxes described in clauses (b) and (c) of the definition of "Excluded Taxes", (ii) Connection Income Taxes and (iii) Indemnified Taxes) to such Lender of agreeing to make or making, funding or maintaining any Loans or participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligations to participate in or issue any Letter of Credit), or any reduction in the amount of any sum received or receivable by such Lender, then the Borrower shall be liable for, and shall from time to time, promptly upon written demand (with a copy of such demand to be sent to the Administrative Agent), pay to the Administrative Agent for the account of such Lender, additional amounts as are sufficient to compensate such Lender for such increased costs or reduction suffered, to the extent such Lender is imposing such costs on borrowers that are similarly situated to the Borrower with respect to whom such Lender has similar rights of compensation.

(b) If any Lender reasonably and in good faith shall have determined that (i) the introduction of any Capital Adequacy Regulation, (ii) any change in any Capital Adequacy Regulation, (iii) any change in the interpretation or administration of any Capital Adequacy Regulation by any central bank or other Governmental Authority charged with the interpretation or administration thereof, or (iv) compliance by the Lender (or its Lending Office) or any corporation controlling the Lender with any Capital Adequacy Regulation, in each case after the later of (x) the Effective Date and (y) the date such Lender becomes a party to this Agreement, affects or would affect the amount of capital or liquidity required or expected to be maintained by the Lender or any corporation controlling the Lender and (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy or liquidity and such Lender's desired return on capital) determines that the amount of such capital or liquidity is increased as a consequence of its Revolving Commitment, loans, credits or obligations under this Agreement, then, thirty (30) days after written demand by such Lender to the Borrower through the Administrative Agent, the Borrower shall pay to the Lender, from time to time as specified by the Lender, additional amounts sufficient to compensate the Lender for such increase, to the extent such Lender is employing such increase with respect to borrowers that are similarly situated to the Borrower with respect to whom such Lender has similar rights of compensation.

(c) Notwithstanding anything herein to the contrary, for all purposes of the Loan Documents, all requests, rules, guidelines or directives concerning liquidity and capital adequacy issued by any United States regulatory authority (i) under or in connection with the implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and (ii) in connection with the implementation of the recommendations of the Bank for International Settlements or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority), in each case pursuant to Basel III, regardless of the date adopted, issued, promulgated

or implemented are deemed to have been adopted and to have taken effect after the date hereof and after the date any Lender becomes a party to this Agreement.

(d) The Borrower shall not be required to compensate any Lender pursuant to this Section 3.03 for any increased costs or reduced returns to the extent such Lender makes written demand on the Borrower for compensation later than 270 days after the date any such increased cost or reduced return is incurred; *provided* that, if the change in law giving rise to any such increased cost or reduced giving rise to such claims are retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof. A certificate setting forth the amount of such increased costs or reduced returns delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

Section 3.04 *Funding Losses.* The Borrower shall reimburse each Lender and hold each Lender harmless from any loss (other than loss of profits or the Applicable Margin), expense or liability which the Lender may sustain or incur as a consequence of:

- (a) the failure of the Borrower to make on a timely basis any payment of principal of any SOFR Loan;
- (b) the failure of the Borrower to continue a SOFR Loan after the Borrower has given (or is deemed to have given) a Conversion/Continuation Notice thereof;
- (c) the failure of the Borrower to make any prepayment of a SOFR Loan in accordance with any notice of prepayment given by the Borrower;
- (d) the prepayment (including pursuant to Section 2.06) or other payment (including after acceleration thereof) of a SOFR Loan on a day that is not the last day of the relevant Interest Period;
- (e) a Credit Extension of any SOFR Loan does not occur on a date specified therefor in the Loan Notice delivered by or on behalf of the Borrower, or a conversion to or continuation of any SOFR Loan does not occur on a date specified therefor in a Conversion/Continuation Notice delivered by or on behalf of the Borrower; or
- (f) any conversion of any of its SOFR Loans occurring on a date prior to the last day of an Interest Period applicable to the Revolving Loan;

including any such loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain its SOFR Loans or from fees payable to terminate the deposits from which such funds were obtained, but excluding any administrative fee or other amount chargeable by such Lender for the calculation of such loss.

Section 3.05 *Effect of Benchmark Transition Event.*

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, the

Administrative Agent and the Borrower may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 3.05(a) will occur prior to the applicable Benchmark Transition Start Date.

(b) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document, unless the Administrative Agent has received, within five (5) Business Days of the date notice of such amendments is provided to the Borrower, a written notice from the Borrower objecting to such amendments.

(c) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will promptly notify the Borrower and the Lenders of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 3.05(d) below. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, the Borrower or any Lender (or group of Lenders) pursuant to this Section 3.05, 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 3.05(c).

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference Rate) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) 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 (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not

or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, (i) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans and (ii) any outstanding affected SOFR Loans will be deemed to have been converted to Base Rate Loans at the end of the applicable Interest Period. 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 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 Base Rate.

Section 3.06 Certificates of Lenders. Any Lender claiming reimbursement or compensation under this Article 3 shall deliver to the Borrower (with a copy to the Administrative Agent) a certificate setting forth in reasonable detail the amount payable to the Lender hereunder and such certificate shall be conclusive and binding on the Borrower in the absence of demonstrable error. Such certificate shall set forth in reasonable detail the methodology used in determining the amount payable to the Lender.

Section 3.07 Substitution of Lenders. If the Borrower receives from any Lender notice of a claim for compensation under Section 3.01 or 3.03 or notice of illegality under Section 3.02, the Borrower may, upon notice to such Lender and the Administrative Agent, replace such Lender by causing such Lender to assign its Revolving Loans and Revolving Commitment (with the assignment fee to be paid by the Borrower in such instance) pursuant to Section 10.07(b) to one or more other Lenders or Eligible Assignees procured by the Borrower; provided that (x) the Borrower shall be obligated to replace all Lenders that have made similar requests and (y) each such Lender shall have received payment of an amount equal to the outstanding principal of its Revolving Loans, accrued interest thereon, accrued fees and all other amounts payable to it under the Loan Documents from the applicable assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts). The Borrower shall release such Lender from its obligations under the Loan Documents. Any Lender being replaced shall execute and deliver an Assignment and Assumption with respect to such Lender's outstanding Revolving Loans.

Section 3.08 Survival. The agreements and obligations of the Borrower in Section 3.01, Section 3.03 and Section 3.04 and the agreements and obligations of the Lenders in Section 3.06 shall survive the termination of this Agreement and the payment of all other Obligations.

Section 3.09 Circumstances Affecting Benchmark Availability. Subject to Section 3.05, in connection with any request for a SOFR Loan or a conversion to or continuation thereof or otherwise, if for any reason the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that reasonable and adequate means do not exist

for ascertaining Term SOFR for the applicable Interest Period with respect to a proposed SOFR Loan on or prior to the first day of such Interest Period, then the Administrative Agent shall promptly give notice thereof to the Borrower. Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make SOFR Loans, and any right of the Borrower to convert any Loan to or continue any Loan as a SOFR Loan, shall be suspended (to the extent of the affected SOFR Loans or the affected Interest Periods) until the Administrative Agent revokes such notice. Upon receipt of such notice, (A) the Borrower may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Loans (to the extent of the affected SOFR Loans or the affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans in the amount specified therein and (B) any outstanding affected SOFR Loans will be deemed to have been converted into Base Rate Loans at the end of the applicable Interest Period. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

ARTICLE 4 CONDITIONS PRECEDENT

Section 4.01 *Conditions to Effectiveness.* This Agreement shall become effective on the date that each of the following conditions precedent are satisfied or waived:

(a) The Administrative Agent shall have received each of the following, each of which shall be originals or facsimiles or Adobe PDFs delivered by electronic mail (followed promptly by originals) unless otherwise specified:

(i) from each party hereto, a counterpart of this Agreement executed by such party; and

(ii) a Revolving Loan Note executed by the Borrower in favor of each Lender that has requested a Revolving Loan Note at least two (2) Business Days prior to the Effective Date.

(b) The Guarantee Requirement shall have been satisfied.

(c) The Collateralized L/C Collateral Requirement shall have been satisfied.

(d) The Administrative Agent shall have received:

(i) copies of the resolutions of the board of directors, authorized subcommittee thereof, or other equivalent body of each Credit Party authorizing the Transactions to which such Credit Party is a party, certified as of the Effective Date by the Secretary or an Assistant Secretary of such Credit Party;

(ii) a certificate of the Secretary or Assistant Secretary of each Credit Party certifying the names and true signatures of the officers of such Credit Party authorized to

execute, deliver and perform, as applicable, this Agreement and all other Loan Documents to be delivered by such Credit Party hereunder;

(iii) the articles or certificate of incorporation or equivalent document of each Credit Party as in effect on the Effective Date, certified by the Secretary of State (or similar, applicable Governmental Authority) of its state of incorporation or organization as of a recent date;

(iv) the bylaws or equivalent documents of each Credit Party as in effect on the Effective Date, certified by the Secretary or Assistant Secretary of such Credit Party as of the Effective Date;

(v) a certificate of good standing or equivalent document for each Credit Party from the Secretary of State (or similar, applicable Governmental Authority) of its state of incorporation or organization as of a recent date; and

(vi) certified copies of Uniform Commercial Code, tax and judgment lien searches, or equivalent reports or searches, each of a recent date listing all effective financing statements, lien notices or comparable documents that name any Credit Party as debtor and that are filed in those state and county jurisdictions in which any Credit Party is organized or maintains its principal place of business and such other searches that the Administrative Agent reasonably deems necessary and requested at least five (5) days prior to the Effective Date.

(e) The Administrative Agent shall have received a written opinion, reasonably acceptable to the Administrative Agent in form and substance (addressed to the Administrative Agent and the Lenders and dated the Effective Date), from each of Sidley Austin LLP, counsel for the Credit Parties.

(f) The Administrative Agent shall have been paid (i) all costs, fees and expenses (including, without limitation, Attorney Costs of the Administrative Agent, the Arrangers, the Bookrunners and recording taxes and fees) to the extent then due and payable to the Administrative Agent, the Arrangers or the Bookrunners and (ii) all other compensation contemplated by the Commitment Letter and each Fee Letter payable to the Administrative Agent, the Arrangers, the Bookrunners or the Lenders on or before the Effective Date, in each case to the extent invoiced at least two (2) Business Days prior to the Effective Date.

(g) All principal, premium, if any, interest, fees and other amounts due or outstanding under the Existing Credit Agreement shall have been paid in full, the commitments under the Existing Credit Agreement shall have been terminated and all guarantees and Liens existing in connection with the Existing Credit Agreement shall have been discharged and released, and the Administrative Agent shall have received reasonably satisfactory evidence thereof.

(h) Each Credit Party shall have provided the documentation and other information to the Administrative Agent as the Lenders reasonably determine are required by bank regulatory authorities under applicable "know-your-customer" and Anti-Money Laundering Laws, including

the PATRIOT Act, at least two (2) Business Days prior to the Effective Date as has been reasonably requested in writing at least four (4) Business Days prior to the Effective Date by the Lenders. The Borrower shall have delivered a Beneficial Ownership Certification to the Administrative Agent and each Lender requesting one.

(i) The Administrative Agent and the Lenders shall have received at least five (5) calendar days prior to the Effective Date (i) the Historical Financial Statements and (ii) the most recent Annual Statements and Quarterly Statements (for those periods ending after delivery of the most recent Annual Statements for each Insurance Subsidiary that is a Restricted Subsidiary) of each Insurance Subsidiary that is a Restricted Subsidiary as filed with the insurance regulator of such Insurance Subsidiary's jurisdiction of domicile on or prior to such date, in each case, to the extent such reports and statements have been prepared by such Insurance Subsidiaries.

(j) All of the representations and warranties contained herein or in any Loan Document shall be true and correct in all material respects on and as of the Effective Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; *provided* that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

(k) No Default or Event of Default shall have occurred and be continuing on and as of the Effective Date.

The Administrative Agent shall promptly notify the Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding on all parties hereto.

Section 4.02 *Conditions to All Borrowings and Letter of Credit Issuances*. The obligation of any Lender to make any Loans or to issue, renew or extend any Letter of Credit, on any Borrowing Date (including on the Effective Date) is subject to satisfaction of the following conditions precedent:

(a) All of the representations and warranties contained herein or in any Loan Document by any Credit Party (other than the representations and warranties contained in Sections 5.04(d) and 5.05), shall be true and correct in all material respects on and as of such Borrowing Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; *provided* that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

(b) No Default or Event of Default shall have occurred and be continuing on such date or immediately after giving effect to the proposed Credit Extension.

(c) The Administrative Agent shall have received a Loan Notice or Issuance Notice in accordance with the requirements hereof, along with a Collateralized L/C Collateral Certificate, if applicable.

(d) After making the Credit Extension requested on such Borrowing Date, (i) the Total Utilization of Revolving Commitments shall not exceed the Revolving Commitments then in effect, (ii) the Letter of Credit Usage shall not exceed the Letter of Credit Sublimit and (iii) in the case of any Credit Extension consisting of the issuance, renewal or extension of a Collateralized Letter of Credit, the Collateralized L/C Aggregate Collateral Amount shall not be less than the Minimum Collateralized L/C Aggregate Collateral Amount.

(e) On or before the date of issuance of any Letter of Credit, the Administrative Agent shall have received all other information required by the applicable Issuance Notice, and such other documents or information as the Administrative Agent may reasonably require in connection with the issuance of such Letter of Credit.

Each Loan Notice submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied (or waived) on and as of the date of the applicable Credit Extension.

Section 4.03 *Determinations Under Section 4.01.* For purposes of determining compliance with the conditions specified in Section 4.01, (i) each of the Lenders shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by, or acceptable or satisfactory to, the Lenders unless an officer of the Administrative Agent responsible for the Transactions shall have received notice from such Lender prior to the Effective Date specifying its objection thereto and, in the case of any Lender, such Lender shall not have made available to the Administrative Agent on the Effective Date such Lender's Pro Rata Share of the borrowing to be made on such date and (ii) transactions occurring (or to occur) on the Effective Date in accordance with, and as expressly set forth in, the funds flow memorandum delivered to (and approved by) the Administrative Agent shall be deemed to occur and have occurred substantially simultaneously with the effectiveness hereof on the Effective Date.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES

Each Credit Party represents and warrants to the Administrative Agent and the Lenders on behalf of itself and its Restricted Subsidiaries, as applicable, that on the Effective Date and, to the extent provided in Section 4.02(a), on the date of the making of each Revolving Loan or issuance, renewal or extension of a Letter of Credit hereunder the following statements are true and correct:

Section 5.01 *Corporate Existence and Power.* Each Credit Party (a) is duly organized, registered, incorporated and/or formed and validly existing under the laws of the jurisdiction of its incorporation, organization or formation, (b) has all corporate or other organizational power and authority and all material governmental licenses, authorizations, consents and approvals required to own or lease its assets and carry on its business as now conducted and (c) is duly qualified and

is licensed and, as applicable, in good standing under the laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license, except in each case referred to in the foregoing clauses (b) and (c) to the extent that such failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 5.02 *Corporate and Governmental Authorization; Contravention.* The execution, delivery and performance by each Credit Party of this Agreement and/or the other Loan Documents to which it is a party, as applicable, are within such Credit Party's corporate or other organizational powers, have been duly authorized by all necessary corporate or other organizational action, require no action by or in respect of, or filing with, any governmental body, agency or official and do not contravene, or constitute a default under, any provision of applicable law or regulation or of the articles of incorporation, formation, registration or organization or by-laws of such Credit Party or of any material agreement, judgment, injunction, order, decree or other instrument binding upon such Credit Party or any of its Restricted Subsidiaries or result in the creation or imposition of any Lien on any asset of such Credit Party or any of its Restricted Subsidiaries.

Section 5.03 *Binding Effect.* This Agreement and/or the other Loan Documents to which it is a party, as applicable, have been duly executed and delivered by such Credit Party. This Agreement and/or the other Loan Documents to which it is a party, as applicable, constitute the legal, valid and binding obligations of such Credit Party, in each case enforceable in accordance with their respective terms, except as the same may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and by general principles of equity.

Section 5.04 *Financial Information.*

(a) The Historical Financial Statements, copies of which have been delivered to the Administrative Agent on behalf of each of the Lenders, fairly present, in conformity with generally accepted accounting principles, the consolidated financial position of GALD and its Restricted Subsidiaries as of such date and their consolidated results of operations and changes in financial position for such fiscal year.

(b) Copies of the Historical Statutory Statements of or for each Insurance Subsidiary that is a Restricted Subsidiary in the form filed with the applicable Department for the year ended December 31, 2023 has been delivered to the Administrative Agent on behalf of each of the Lenders and fairly presents, in accordance with statutory accounting principles, the information contained therein.

(c) Copies of the Historical Statutory Statements of or for each Insurance Subsidiary that is a Restricted Subsidiary in the form filed with the applicable Department for the quarter ended December 31, 2023 has been delivered to the Administrative Agent on behalf of each of the Lenders and fairly presents, in accordance with statutory accounting principles, the information contained therein.

(d) Since December 31, 2023, no event, circumstance or change has occurred that has caused or evidences, or would reasonably be expected to result in, either in any case or in the aggregate, a Material Adverse Effect.

Section 5.05 *Litigation.* As of the Effective Date, there is no action, suit or proceeding pending against, or to the knowledge of the Borrower threatened against, any Credit Party or any of its Restricted Subsidiaries before any court or arbitrator or any governmental body, agency or official (a) which has or would be reasonably expected to have a Material Adverse Effect, or (b) which in any manner draws into question the validity or enforceability of this Agreement or any other Loan Document.

Section 5.06 *Compliance with ERISA.*

(a) Except as would not result in a Material Adverse Effect, each Plan is in compliance in all material respects with the presently applicable provisions of ERISA and the Code. Except as would not result in a Material Adverse Effect, no ERISA Event has occurred. Except as would not result in a Material Adverse Effect, no member of the ERISA Group has (i) sought a waiver of the minimum funding standard under Section 412 of the Code in respect of any Single Employer Pension Plan, (ii) failed to make any contribution or payment to any Single Employer Pension Plan or Multiemployer Plan, or made any amendment to any Plan, which has resulted or could reasonably be expected to result in the imposition of a Lien or the posting of a bond or other security under ERISA or the Code or (iii) incurred any liability under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA.

(b) To the extent the assets of the Borrower are deemed to be “plan assets” within the meaning of Section 3(42) of ERISA, or otherwise, (i) on each day that an extension of credit pursuant to a Credit Extension is in effect, such extension of credit will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code as a result of the applicability of Prohibited Transaction Class Exemption 95-60, and (ii) the fiduciary making the decision on behalf of the Borrower (the “**Plan Fiduciary**”) with respect to the Credit Extension will be deemed to represent and warrant to the Lenders or the Agents (the “**Transaction Parties**”) that (i) none of the Transaction Parties, nor any of their affiliates, has provided any investment advice on which it has relied in connection with the Credit Extensions, and the Transaction Parties are not otherwise acting as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Borrower or the Plan Fiduciary in connection with the Credit Extensions; and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the transaction. For the avoidance of doubt the assets of the Borrower refers to its unconsolidated assets.

Section 5.07 *Taxes.* United States Federal income tax returns of such Credit Party and its Restricted Subsidiaries have been examined and closed through the fiscal year ended December 31, 2023. Such Credit Party and its Restricted Subsidiaries have filed all income tax returns and all other material tax returns which are required to be filed by them and have paid all Taxes due pursuant to such returns or, except for any such Taxes that are being contested in good faith by appropriate proceedings and for which adequate reserves have been made, pursuant to any assessment received by such Credit Party or any Restricted Subsidiary, except in each case to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect.

The charges, accruals and reserves on the books of such Credit Party and its Restricted Subsidiaries in respect of Taxes are, in the opinion of such Credit Party, adequate.

Section 5.08 *Subsidiaries*. Each of GALD and its Restricted Subsidiaries (other than any Immaterial Subsidiary) (a) is duly organized, registered, incorporated and/or formed and validly existing and (except where such concept is not applicable) in good standing under the laws of its jurisdiction of incorporation or organization, (b) has all corporate or other organizational power and authority and all material governmental licenses, authorizations, consents and approvals required to own or lease its assets and carry on its business as now conducted and (c) is duly qualified and is licensed and, as applicable, in good standing under the laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license, except in each case referred to in the foregoing clauses (b) and (c) to the extent that such failure to do so would not reasonably be expected to have a Material Adverse Effect.

Section 5.09 *Investment Company Act of 1940*. No Credit Party is required to be registered as an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

Section 5.10 *No Default*. No event has occurred and is continuing which constitutes, or which, with the passage of time or the giving of notice or both, would constitute, a default under or in respect of any material agreement, instrument or undertaking to which such Credit Party or any Restricted Subsidiary is a party or by which either such Credit Party or Restricted Subsidiary or any of their respective assets is bound, unless such default would not have or be reasonably expected to have a Material Adverse Effect.

Section 5.11 *Restricted Subsidiaries; Immaterial Subsidiaries; Unrestricted Subsidiaries*. Set forth as Schedule 5.11 hereto is a true, correct and complete list of (x) each Restricted Subsidiary (other than any Immaterial Subsidiary) as of the Effective Date, (y) each Immaterial Subsidiary as of the Effective Date and (z) each Unrestricted Subsidiary as of the Effective Date.

Section 5.12 *Environmental Matters*. The Borrower has reasonably concluded that Environmental Laws are unlikely to have a Material Adverse Effect.

Section 5.13 *Full Disclosure*.

(a) As of the Effective Date, all written or formally presented information (other than financial projections) provided by such Credit Party to the Lenders in connection with the Transactions on or prior to the Effective Date is, when taken as a whole with all other information so provided, complete and correct in all material respects and when taken as a whole, did not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not materially misleading. As of the Effective Date, there are no facts known to such Credit Party (other than matters of a general economic nature) that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect and that have not been disclosed herein or in such other documents, certificates and written

statements furnished to Lenders on or prior to the Effective Date for use in connection with the Transactions.

(b) As of the Effective Date, the information included in the Beneficial Ownership Certification delivered pursuant to Section 4.01(h) is true and correct in all respects.

Section 5.14 *Sanctioned Persons; Anti-Corruption Laws; PATRIOT Act.* None of (a) any Credit Party, (b) any Person directly or indirectly controlling a Credit Party, (c) any Person directly or indirectly controlled by a Credit Party, (d) to the knowledge of such Credit Party, their respective directors, officers, employees or (e) to the knowledge of such Credit Party, their agents or Affiliates acting with respect to this Facility, is a Sanctioned Person. No Credit Party will use the proceeds of the Loans for the purpose of violating any Anti-Corruption Law, Anti-Money Laundering Laws or Sanctions. No Person set forth in clauses (a) through (e) above, is: (i) controlled by or, to its knowledge, acting or purporting to act on behalf of a Sanctioned Person or (ii) to its knowledge, under investigation for breaching Sanctions. To any Credit Party's knowledge, after making reasonable inquiries, no investor is included on, or is owned or controlled by a Person that is included on, any list of targets identified or designated pursuant to any Sanctions, no investor is (x) a Sanctioned Person or (y) owned 50% or more, controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, a Sanctioned Person.

Section 5.15 *Affected Financial Institutions.* No Credit Party is an Affected Financial Institution.

Section 5.16 *Covered Entity.* No Credit Party is a Covered Entity.

ARTICLE 6

AFFIRMATIVE COVENANTS

Until all principal of and interest on each Revolving Loan and all fees and other amounts payable hereunder have been paid in full (other than unmatured, surviving contingent indemnification obligations not yet due and payable), all Revolving Commitments have been terminated and all Letters of Credit have been cancelled or have expired (or Cash Collateralized at the Minimum Cash Collateral Amount), each Credit Party, as applicable, covenants and agrees with the Lenders that:

Section 6.01 *Information.* The Borrower will deliver to the Administrative Agent and each of the Lenders:

(a) as soon as available, and in any event within one hundred thirty-five (135) days after the end of each Fiscal Year, commencing with the Fiscal Year ending December 31, 2024, (i) the consolidated balance sheets of Holdings and its Restricted Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of income, stockholders' equity and cash flows of Holdings and its Restricted Subsidiaries for such Fiscal Year, setting forth in each case in comparative form the corresponding figures for the previous Fiscal Year (to the extent corresponding figures for the previous Fiscal Year were prepared), all in reasonable detail and (ii) with respect to such consolidated financial statements a report thereon of

PricewaterhouseCoopers LLP or other independent certified public accountants of recognized national standing selected by Holdings and reasonably satisfactory to the Administrative Agent (which report and/or the accompanying financial statements shall be unqualified as to going concern and scope of audit, and shall state that such consolidated financial statements fairly present, in all material respects, the consolidated financial position of Holdings and its Restricted Subsidiaries, in each case, as at the dates indicated and the results of their operations and their cash flows for the periods indicated in conformity with GAAP applied on a basis consistent with prior years (except as otherwise disclosed in such financial statements) and that the examination by such accountants in connection with such consolidated financial statements has been made in accordance with generally accepted auditing standards);

(b) as soon as available, and in any event within sixty (60) days after the end of each of the first three Fiscal Quarters of each Fiscal Year, commencing with the Fiscal Quarter ended March 31, 2024, the consolidated balance sheets of Holdings and its Restricted Subsidiaries, as at the end of such Fiscal Quarter and the related consolidated statements of income and stockholders' equity of Holdings and its Restricted Subsidiaries for such Fiscal Quarter and for the period from the beginning of the then current Fiscal Year to the end of such Fiscal Quarter, setting forth in each case in comparative form the corresponding figures for the corresponding periods of the previous Fiscal Year (to the extent corresponding figures for the corresponding periods of the previous Fiscal Year were prepared), all in reasonable detail and certified by a Responsible Officer of Holdings as fairly presenting in all material respects, in accordance with GAAP (subject to the absence of footnotes and year-end audit adjustments), the financial position, the results of operations of Holdings and its Restricted Subsidiaries;

(c) within two (2) Business Days after delivery to the applicable Department, and in any event not later than one hundred twenty-five (125) days after the close of each Fiscal Year of each Insurance Subsidiary that is a Restricted Subsidiary, a copy of a duly completed and signed Annual Statement (or any successor form thereto) required to be filed by such Insurance Subsidiary with such Department, in the form submitted to such Department;

(d) within two (2) Business Days after delivery to the applicable Department, and in any event not later than fifty (50) days after the close of each of the first three Fiscal Quarters of each Fiscal Year of each Insurance Subsidiary that is a Restricted Subsidiary, a copy of a duly completed and signed Quarterly Statement (or any successor form thereto) required to be filed by such Insurance Subsidiary with such Department in the form submitted to such Department; and

(e) forthwith upon learning of the occurrence of any Default, a certificate of a Responsible Officers of Holdings setting forth the details thereof and the action which the Holdings or the Borrower is taking or proposes to take with respect thereto.

Section 6.02 *Certificates; Other Information.* The Borrower shall furnish to the Administrative Agent, for further distribution to each Lender:

(a) concurrently with the delivery of the financial statements referred to in Section 6.01(a) and Section 6.01(b), a Compliance Certificate;

(b) (i) on the Business Day immediately preceding the proposed date of issuance of any Collateralized Letter of Credit, (ii) if Collateralized Letters of Credit are outstanding during any calendar month, within ten (10) Business Days after the end of each such calendar month, (iii) as of the Commitment Termination Date, (iv) at and as of such other times as the Administrative Agent may reasonably request and (v) at such other times as the Borrower may desire, a Collateralized L/C Collateral Certificate;

(c) promptly upon the mailing thereof to the shareholders of the Borrower generally, if and only to the extent not duplicative of information otherwise provided pursuant to clause (h) below, copies of all financial statements, reports and proxy statements so mailed;

(d) promptly upon the filing thereof, copies of all registration statements (other than the exhibits thereto and any registration statements on Form S-8 or its equivalent) and reports on Forms 10-K, 10-Q and 8-K (or their equivalents) which any Credit Party shall have filed with the SEC;

(e) except as could not reasonably be expected to have a Material Adverse Effect, promptly upon the occurrence of an ERISA Event, a certificate of a Responsible Officer of Holdings setting forth details as to such occurrence and action, if any, which Holdings or applicable member of the ERISA Group is required or proposes to take;

(f) promptly after Moody's, S&P or Fitch shall have announced a change in the Debt Rating of any Credit Party, written notice of such rating change;

(g) from time to time such additional information regarding the financial position or business of any Credit Party as the Administrative Agent, at the request of any Lender, may reasonably request;

(h) promptly following any request therefor, information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the PATRIOT Act and the Beneficial Ownership Regulation; and

(i) promptly after the occurrence of the IPO, written notice of (i) the consummation of the IPO and (ii) the identity of the IPO Entity.

Documents required to be delivered pursuant to Section 6.01 or this Section 6.02 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which Holdings posts such documents or provides a link thereto on Holdings' website on the Internet; (ii) on which such documents are posted on Holdings' behalf on IntraLinks/IntraAgency or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); or (iii) on which such documents are made publicly available at www.sec.gov; *provided* that, with respect to clauses (ii) and (iii) of this paragraph, Holdings shall notify the Administrative Agent of the posting of any such documents and, solely with respect to clause (ii), provide to the Administrative Agent by electronic mail electronic

versions (i.e., soft copies) of such documents. Except for Compliance Certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower, Holdings or its Restricted Subsidiaries with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Each of the Credit Parties hereby acknowledges that (a) the Administrative Agent will make available information and projections (collectively, "**Borrower Materials**") to the Lenders by posting the Borrower Materials on IntraLinks or another similar secure electronic system (the "**Platform**") and (b) certain of the Lenders may be "public side" Lenders that do not wish to receive MNPI (each, a "**Public Lender**"). Each of Holdings and the Borrower shall clearly designate as such all Borrower Materials provided to the Administrative Agent by or on behalf of Holdings or the Borrower which is suitable to make available to Public Lenders. If Holdings or the Borrower has not indicated whether Borrower Materials cannot be distributed to Public Lenders, the Administrative Agent reserves the right to post such Borrower Materials solely on that portion of the Platform designated for non-Public Lenders.

Section 6.03 *Payment of Obligations.* Such Credit Party shall pay and discharge, and shall cause each Restricted Subsidiary to pay and discharge, at or before maturity, all their respective material obligations and liabilities, including, without limitation, tax liabilities, that if not paid, would reasonably be expected to result in a Material Adverse Effect, except where (a) the same may be contested in good faith by appropriate proceedings, (b) such Credit Party or such Restricted Subsidiary has set aside, in accordance with generally accepted accounting principles, appropriate reserves for the accrual of any of the same and (c) the failure to make payment pending such contest would not reasonably be expected to result in a Material Adverse Effect; provided, that, for avoidance of doubt, solely with respect to tax liabilities an obligation shall be considered to be delinquent or in default for purposes of this Section only if there has first been notice and demand therefor (as defined in Section 6306 of the Code and similar provisions of applicable law) by a tax authority.

Section 6.04 *Conduct of Business and Maintenance of Existence.* Such Credit Party shall continue, and shall cause each Restricted Subsidiary to continue, to engage in business of the same general type as conducted by GALD and its Restricted Subsidiaries, taken as a whole, on the date hereof and will preserve, renew and keep in full force and effect, and will cause each Restricted Subsidiary to preserve, renew and keep in full force and effect (a) their respective corporate or other organizational existence, except that no Restricted Subsidiary (other than the Credit Parties) shall be required to preserve any such existence or good standing if such Person's board of directors (or similar governing body) shall determine that the preservation thereof is no longer desirable in the conduct of the business of such Person, and that the loss thereof would not reasonable be expected to result in a Material Adverse Effect; and (b) their respective rights, privileges, licenses and franchises, other than, in the case of the foregoing clause (b), the loss of which would not reasonably be expected to result in a Material Adverse Effect; except that if at the time thereof and immediately after giving effect thereto no Default or Event of Default has occurred and is continuing, (i) any Restricted Subsidiary may merge with or into any Credit Party;

provided, that such Credit Party shall be the surviving entity, (ii) any Restricted Subsidiary may merge with or into any other Subsidiary; provided, that such Restricted Subsidiary shall be the surviving entity or, if such Restricted Subsidiary is not the surviving entity, the surviving entity shall be deemed a Restricted Subsidiary, and (iii) any Restricted Subsidiary may sell, transfer, lease or otherwise dispose of its assets to any Credit Party or to another Restricted Subsidiary.

Section 6.05 *Maintenance of Property; Insurance.*

(a) Such Credit Party shall keep, and shall cause each Restricted Subsidiary to keep, all property useful and necessary in its business in good working order and condition, except, in each case, to the extent that failure to do so would not be reasonably expected to result in a Material Adverse Effect.

(b) Such Credit Party shall maintain, and shall cause each Restricted Subsidiary to maintain (either in the name of such Credit Party or in such Restricted Subsidiary's or Credit Party's own name) with financially sound and responsible insurance companies, insurance on all their respective properties and against at least such risks, in each case as is consistent with sound business practice for companies in substantially the same industry as such Credit Party, the Restricted Subsidiaries and the other Credit Parties; and such Credit Party will furnish to the Lenders, upon request from the Administrative Agent, information presented in reasonable detail as to the insurance so carried.

Section 6.06 *Compliance with Laws.* Such Credit Party shall comply, and shall cause each Restricted Subsidiary to comply, in all material respects with all Requirements of Law (including, without limitation, Environmental Laws and ERISA and the rules and regulations thereunder) except where the necessity of compliance therewith is contested in good faith by appropriate proceedings, except where such non-compliance therewith would not reasonably be expected to have a Material Adverse Effect.

Section 6.07 *Inspection of Property, Books and Records.* Such Credit Party shall, and shall cause each of its Restricted Subsidiaries (other than any Immaterial Subsidiary) to, (i) maintain proper books of record and account, in which full, true and correct entries in all material respects in conformity with GAAP or SAP, as applicable, consistently applied (except as stated therein) shall be made of all financial transactions and matters involving the assets and business of such Credit Party and such Restricted Subsidiary and (ii) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over such Credit Party or such Restricted Subsidiary, as the case may be. Such Credit Party shall permit, and shall cause each of its Restricted Subsidiaries (other than any Immaterial Subsidiary) to permit, representatives and independent contractors (subject to, in the case of representatives or independent contractors, such representatives or independent contractors executing confidentiality agreements in form reasonably satisfactory to Holdings) of the Administrative Agent or its designees, at the Borrower's expense, to visit and inspect any of their respective properties, to examine their respective corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss their respective affairs, finances and accounts with their respective directors, officers, and independent public accountants, all at such reasonable times during normal business hours, upon reasonable advance notice to the

Borrower; provided that members of senior management will be notified and permitted to be present during any such meetings; and provided, further, that when an Event of Default exists the Administrative Agent or any Lender (through coordination with the Administrative Agent) may do any of the foregoing at any time during normal business hours and without advance notice; provided, further, that the Borrower shall not be required to reimburse the costs of the Administrative Agent and the Lenders collectively for more than one visit per Fiscal Year unless an Event of Default has occurred and is continuing.

Section 6.08 *Use of Credit.* The Borrower shall use each Letter of Credit issued under this Agreement for the general corporate purpose of Holdings and the Subsidiaries. The proceeds of each Loan made to the Borrower hereunder will be used for the general corporate purpose of Holdings and the Subsidiaries. No Letter of Credit or proceeds of Loans will be used, directly or indirectly, for the purpose, whether immediate, incidental or ultimate, of buying or carrying any "margin stock" within the meaning of Regulations T, U and X. Following application of the proceeds of any Loan, not more than 25% of the value of the assets subject to the provisions of Section 7.01 or 7.02 will be "margin stock" within the meaning of Regulations T, U and X.

Section 6.09 *Additional Guarantors; Further Assurances.*

(a) If any Person becomes a Designated Subsidiary after the Effective Date, the Borrower will promptly, and in any event not later than ten (10) Business Days after such Person becomes a Designated Subsidiary, notify the Administrative Agent thereof and cause the Guarantee Requirement to be satisfied with respect to such Person, whereupon such Person will become a "Credit Party" and a "Guarantor" for purposes of the Loan Documents.

(b) Each Credit Party will, and will cause each other Credit Party to, at the request of the Administrative Agent, execute and deliver any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements and other documents, if applicable), that may be required under any applicable law to cause the Guarantee Requirement and the Collateralized L/C Collateral Requirement to be and remain satisfied, all at the Borrower's expense. The Borrower will provide to the Administrative Agent, from time to time upon request, evidence reasonably satisfactory to the Administrative Agent as to the perfection and priority of the Liens created or intended to be created by the Collateralized L/C Security Documents.

Section 6.10 *Information Regarding Collateralized L/C Collateral.* The Credit Parties will furnish to the Administrative Agent prompt written notice of any change in (i) any Credit Party's legal name or any Credit Party's location (determined as provided in Section 9-307 of the Uniform Commercial Code), (ii) any Credit Party's identity or corporate structure or (iii) any Credit Party's Federal Taxpayer Identification Number or organizational identification number. The Credit Parties agree not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code or otherwise that are required in order for the Administrative Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateralized L/C Collateral as contemplated in the Collateralized L/C Security Documents.

Section 6.11 *Designation of Subsidiaries.* The board of directors (or similar governing body) of Holdings may at any time designate any Restricted Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary; *provided that* (i) immediately before and after such designation, no Default or Event of Default shall have occurred and be continuing, (ii) immediately after giving effect to such designation, Holdings and its consolidated Restricted Subsidiaries shall be in compliance with Sections 7.06 and 7.07, (iii) no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it was previously designated an Unrestricted Subsidiary, (iv) the Borrower shall deliver to the Administrative Agent at least five (5) Business Days prior to such designation a certificate of a Responsible Officer of Holdings, together with all relevant financial information reasonably requested by the Administrative Agent, demonstrating compliance with the foregoing clauses (i) through (iv) of this Section 6.11 and, if applicable, certifying that such subsidiary meets the requirements of an Unrestricted Subsidiary and (v) at least ten (10) days prior to the designation of any Unrestricted Subsidiary as a Restricted Subsidiary, the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable “know-your-customer” and Anti-Money Laundering Laws, including the PATRIOT Act, with respect to such subsidiary. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute the incurrence at the time of designation of any Indebtedness or Liens of such Subsidiary existing at such time.

Section 6.12 *Sanctions, Anti-Corruption Laws and Anti-Money Laundering Laws.* Such Credit Party maintains policies and procedures reasonably designed to promote compliance by such Credit Party and their respective directors, officers and employees with Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions; and such Credit Party, and, to the knowledge of such Person, its officers, employees and directors, are in compliance with Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions in all material respects. Each Credit Party will notify each Lender and Administrative Agent in writing not more than five (5) Business Days after becoming aware of an Investment, or a Person to or in which an Investment is made, becoming (i) a Sanctioned Person or (ii) owned 50% or more, controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, a Sanctioned Person. The Borrower shall notify the Administrative Agent within ten (10) Business Days after obtaining knowledge of any use of proceeds of any Borrowing that would constitute a violation of any applicable Sanctions, Anti-Corruption Laws or Anti-Money Laundering Laws and the Administrative Agent shall be entitled to instruct the Borrower to repay immediately any such outstanding Borrowing.

ARTICLE 7

NEGATIVE COVENANTS

Until all principal of and interest on each Revolving Loan and all fees and other amounts payable hereunder have been paid in full (other than unmatured, surviving contingent indemnification obligations not yet due and payable), all Revolving Commitments have been terminated and all Letters of Credit have been cancelled or have expired (or Cash Collateralized at the Minimum Cash Collateral Amount), each Credit Party, as applicable, covenants and agrees with the Lenders that:

Section 7.01 *Liens.* Such Credit Party shall not, nor shall it permit any of its Restricted Subsidiaries (other than any Immaterial Subsidiary) to, directly or indirectly, create, assume, incur

or suffer to exist any Lien on any property now owned or hereafter acquired by it, except for the following:

- (a) Liens granted or to be granted by the Borrower under the Loan Documents;
- (b) Liens on assets of Insurance Subsidiaries and Subsidiaries thereof securing (x) Operating Indebtedness, (y) obligations under transactions entered into in connection with Insurance Investments and (z) statutory Liens on assets of Insurance Subsidiaries and Subsidiaries thereof;
- (c) collateral (x) securing Permitted Swap Obligations or (y) securing captive financing arrangements entered into by an Insurance Subsidiary;
- (d) Liens for Taxes not yet due or for Taxes being contested in good faith and by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with SAP or GAAP;
- (e) Liens existing on the date hereof and listed on Schedule 7.01; *provided* that (i) such Lien shall not apply to any additional property (other than after acquired title in or on such property and proceeds of the existing collateral in accordance with the document creating such Lien) and (ii) the Indebtedness secured thereby is not increased;
- (f) Liens incurred in the ordinary course of business in connection with worker's compensation, unemployment insurance or other forms of governmental insurance or benefits or to secure performance of tenders, statutory obligations, leases and contracts (other than for borrowed money) entered into in the ordinary course of business or to secure obligations on surety or appeal bonds;
- (g) Liens of mechanics, carriers, and materialmen and other like Liens imposed by law and arising in the ordinary course of business in respect of obligations that in the case of this clause (g) are not overdue for more than sixty (60) days or that are being contested in good faith and by appropriate proceedings and with respect to which adequate reserves are being maintained in accordance with GAAP;
- (h) Liens incurred in connection with the collection or disposition of delinquent accounts receivable in the ordinary course of business;
- (i) Liens securing Capitalized Lease Liabilities or Purchase Money Debt in an aggregate principal amount not to exceed \$75,000,000 at any time outstanding; *provided* that such Liens are limited to the assets financed thereby;
- (j) easements, rights-of-way, zoning restrictions, restrictions and other similar encumbrances incurred in the ordinary course of business that do not secure any monetary obligation and which do not materially interfere with the ordinary course of business of the Credit Parties and their Restricted Subsidiaries;

(k) Liens on property of the Credit Parties and their Restricted Subsidiaries in favor of licensors and landlords securing licenses, subleases or leases of property not otherwise prohibited hereunder;

(l) licenses, leases or subleases not otherwise prohibited hereunder granted to others not materially interfering in any material respect in the business of the Credit Parties and their Restricted Subsidiaries;

(m) attachment or judgment Liens not constituting an Event of Default under Section 8.01(i);

(n) Liens arising from precautionary Uniform Commercial Code financing statement filings with respect to operating leases or consignment arrangements entered into by Holdings and its Restricted Subsidiaries in the ordinary course of business;

(o) Liens incurred to secure Cash Management Obligations incurred in the ordinary course of business and in an aggregate amount not to exceed \$30,000,000 at any time outstanding and customary set-off rights in favor of depositary banks;

(p) Liens attaching solely to cash earnest money deposits required to be made under the terms of any letter of intent or purchase agreement for the acquisition of stock, assets or property;

(q) Liens arising out of deposits by Holdings or any Restricted Subsidiary of cash, securities or other property (other than any Capital Stock of any Restricted Subsidiary) securing obligations of such Person in respect of (i) trust arrangements formed in the ordinary course of business for the benefit of cedents to secure insurance and reinsurance recoverables owed to them by any Insurance Subsidiary, or (ii) other security arrangements in connection with reinsurance agreements in the ordinary course of business; and

(r) other Liens on property (other than the Collateralized L/C Collateral) securing obligations with respect to Indebtedness not otherwise covered by any of clauses (a) through (q) of this Section 7.01; *provided* that the aggregate amount of all Indebtedness secured by Liens in reliance on this clause (r) shall not exceed the greater of (x) \$450,000,000 and (y) 10% of the Net Worth of Holdings and its consolidated Restricted Subsidiaries at any time outstanding.

Notwithstanding the foregoing, none of the Credit Parties or Restricted Subsidiaries (other than any Immaterial Subsidiary) may directly or indirectly, create, assume, incur or suffer to exist any Lien on any Capital Stock of an Insurance Subsidiary that is a Restricted Subsidiary now owned or hereafter acquired by it.

Section 7.02 Consolidations, Mergers and Sales of Assets . Neither Holdings nor the Borrower shall (a) consolidate or merge with or into any other Person or (b) sell, lease or otherwise transfer, directly or indirectly, all or substantially all of the assets of Holdings and its Restricted Subsidiaries, taken as a whole, or the Borrower and its Restricted Subsidiaries, taken as a whole, to any other Person; provided, that Holdings or the Borrower may merge with another Person if (i)

Holdings or the Borrower, respectively, is the entity surviving such merger (provided that the surviving entity of a merger with the Borrower shall be the Borrower) and (ii) immediately after giving effect to such merger, no Default or Event of Default shall have occurred and be continuing.

Section 7.03 *Indebtedness of Non-Guarantor Restricted Subsidiaries.* Such Credit Party shall not permit any of its Restricted Subsidiaries that are not Guarantors (other than any Insurance Subsidiary) to incur any Indebtedness in an aggregate principal amount (for all such Restricted Subsidiaries) in excess of \$250,000,000 (other than Operating Indebtedness, Indebtedness in respect of undrawn letters of credit, Non-Recourse Insurance Subsidiary Indebtedness or Intercompany Indebtedness).

Section 7.04 *Transactions with Affiliates.* Such Credit Party shall not, and shall not suffer or permit any of its Restricted Subsidiaries (other than any Immaterial Subsidiary) to, enter into any transaction with any Affiliate of Holdings, other than (a) transactions no less favorable to such Credit Party or Restricted Subsidiary than would be obtained in a comparable arm's-length transaction with a Person that is not an Affiliate of Holdings, (b) insurance transactions, intercompany pooling and other reinsurance transactions entered into in the ordinary course of business and consistent with past practice, (c) transactions between or among Holdings and its Restricted Subsidiaries and between or among Restricted Subsidiaries, (d) dividends on (and any payments to a related trust for the purpose of paying a dividend), payments on account of, or setting apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of a Credit Party or any of its Restricted Subsidiaries (or any related trust), (e) arrangements for indemnification payments for directors and officers of Holdings and its Restricted Subsidiaries, (f) intercompany transactions between or among GAFGL, KKR or any of its Subsidiaries, Holdings and Restricted Subsidiaries and between or among Restricted Subsidiaries, relating to any or all of the (i) provision of management services and other corporate overhead services, (ii) provision of personnel to other locations within Holdings' consolidated group on a temporary basis, and (iii) provision, purchase or lease of services, operational support, assets, equipment, data, information and technology, that, in the case of any such intercompany transaction referred to in this clause (f), are subject to reasonable reimbursement or cost-sharing arrangements (as determined in good faith by Holdings), which reimbursement or cost-sharing arrangements may be effected through transfers of cash or other assets or through book-entry credits or debits made on the ledgers of each involved Subsidiary; provided that any such intercompany transaction is either (1) entered into in the ordinary course of business or (2) otherwise entered into pursuant to the reasonable requirements of the business of Holdings and the Restricted Subsidiaries, (g) transactions entered into in connection with the IPO or any Post-IPO Offerings (including various shareholder agreements), (h) ordinary-course business transactions (other than transactions of the type described in clause (c) or (f) above) that (A) do not involve the sale, transfer or other Disposition of operations or assets and (B) do not materially adversely affect the Lenders and (i) loans, Investments and guarantees among Holdings and the Restricted Subsidiaries to the extent not prohibited under this Article 7.

Section 7.05 *Compliance with Sanctions, Anti-Corruption Laws and Anti-Money Laundering Laws.* The Borrower will not request any Borrowing or Letter of Credit, and the Borrower shall not directly or, to the knowledge of the Borrower, indirectly use the proceeds of

any Borrowing or Letter of Credit, (a) 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 or Anti-Money Laundering Laws, (b) for the purpose of funding, financing or facilitating any unlawful activities, business or transactions of or with any Sanctioned Person or in any Sanctioned Country in violation of applicable Sanctions, or (c) in any manner that would result in the violation by the Lenders of any Sanctions or, to the knowledge of the Borrower, Anti-Corruption Laws or Anti-Money Laundering Laws. No Credit Party will knowingly fund any repayment of a Loan with proceeds derived from any unlawful transaction by the Borrower that is a violation of Sanctions, Anti-Corruption Laws or Anti-Money Laundering Laws or in any manner that would, to the knowledge of the Borrower, otherwise cause a Lender to be in breach of any Sanctions, Anti-Corruption Laws or Anti-Money Laundering Laws.

Section 7.06 *Debt to Total Capitalization Ratio.* Holdings shall not permit the Debt to Total Capitalization Ratio of Holdings and its consolidated Restricted Subsidiaries as at the end of any Fiscal Quarter to be more than 35% for Holdings and its consolidated Restricted Subsidiaries.

Section 7.07 *Holdings Net Worth.* Holdings shall not permit the Net Worth of Holdings and its consolidated Restricted Subsidiaries as at the end of any Fiscal Quarter to be less than the sum of 70% of the Net Worth of GALD and its consolidated Restricted Subsidiaries as of December 31, 2023, plus 50% of the aggregate Net Income since December 31, 2023 for Holdings and its consolidated Restricted Subsidiaries (to the extent positive).

ARTICLE 8 EVENTS OF DEFAULT

Section 8.01 *Events of Default.* Each of the following shall constitute an **Event of Default**:

(a) Non-Payment. The Borrower fails to pay (i) when and as required to be paid herein, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise, any amount of principal of any Revolving Loans, or (ii) within four (4) Business Days after the same becomes due, any interest, fee or any other amount payable hereunder (including pursuant to Sections 2.02(h) or 2.02(l)(vi)) or under any other Loan Document; or

(b) Representation or Warranty. Any representation, warranty, certification or statement made (or deemed made) by any Credit Party in any Loan Document or in any certificate, financial statement or other document delivered pursuant to any Loan Document (other than any Collateralized L/C Security Document) shall prove to have been incorrect in any material respect when made (or deemed made); or

(c) Specific Defaults. Any Credit Party fails to observe or perform any covenant contained in Section 6.01(e), 6.04(a) (with respect to the corporate existence of the Borrower) or 6.08 or Article 7, or its obligation to provide cash collateral for any Letter of Credit with the stated expiration date beyond the Commitment Termination Date in accordance with Section 2.02(a)(vi); or

(d) Other Defaults. Any Credit Party shall fail to observe or perform any covenant or agreement contained in any Loan Document (other than those covered by clause (a) or (b) above) for 30 days after written notice thereof has been given to the Borrower by the Administrative Agent at the request of any Lender; or

(e) Cross-Default. (i) Any Credit Party or any of their Restricted Subsidiaries (other than a Newly Acquired Subsidiary or an Immaterial Subsidiary) (A) fails to make any payment in respect of any Material Indebtedness (other than in respect of Swap Contracts or any Newly Acquired Subsidiary Debt), when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) beyond the applicable grace or cure period thereunder, or (B) fails to perform or observe any other condition or covenant, or any other event shall occur or condition exist, under any agreement or instrument relating to any such Indebtedness beyond the applicable grace or cure period thereunder if the effect of such failure, event or condition is to cause, or to permit (or, with the giving of notice or lapse of time or both, would permit) the holder or holders of any Material Indebtedness or beneficiary or beneficiaries of such Indebtedness (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, any Material Indebtedness to be declared to be due and payable prior to its stated maturity; or (ii) there occurs under any Swap Contract (other than any Swap Contract of a Newly Acquired Subsidiary or an Immaterial Subsidiary) an Early Termination Date (as defined in such Swap Contract) resulting from (x) any event of default under such Swap Contract as to which a Credit Party or any Restricted Subsidiary is the Defaulting Party (as defined in such Swap Contract) or (y) any Termination Event (as so defined) as to which any Credit Party or any of their Restricted Subsidiaries is an Affected Party (as so defined), and, in either event, the Swap Termination Value owed by a Credit Party or such Restricted Subsidiary as a result thereof is in excess of the greater of (i) \$150,000,000 and (ii) 2.00% of the Net Worth of Holdings and its consolidated Restricted Subsidiaries (in the aggregate for all such Swap Contracts) beyond the applicable grace or cure period thereunder (and, in the case of clause (y), a Credit Party or such Restricted Subsidiary fails to pay such Swap Termination Value when due beyond the applicable grace or cure period thereunder); provided, however, that no Default or Event of Default shall be deemed to occur under clause (i)(B) of this Section 8.01(e) in respect of the failure to perform or observe any such condition or covenant, or the occurrence of any such event or existence of any such condition, under any agreement or instrument relating to any Material Indebtedness owing to the Federal Home Loan Bank of Boston that is cured, remedied or otherwise resolved within five (5) Business Days of the occurrence thereof and prior to such Material Indebtedness being declared to be due and payable prior to its stated maturity; or

(f) Insolvency; Voluntary Proceedings. Any Credit Party or any of their Restricted Subsidiaries (other than a Newly Acquired Subsidiary or an Immaterial Subsidiary) shall commence a voluntary case or other proceeding seeking rehabilitation, dissolution, conservation, liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, rehabilitator, dissolver, conservator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to

pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing; or

(g) Involuntary Proceedings. An involuntary case or other proceeding shall be commenced against any Credit Party or Restricted Subsidiary (other than a Newly Acquired Subsidiary or an Immaterial Subsidiary) seeking rehabilitation, dissolution, conservation, liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, rehabilitator, dissolver, conservator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of sixty (60) days; or an order for relief shall be entered against any Credit Party or Restricted Subsidiary (other than a Newly Acquired Subsidiary or an Immaterial Subsidiary) under the federal bankruptcy laws as now or hereafter in effect; or any governmental body, agency or official shall apply for, or commence a case or other proceeding to seek, an order for the rehabilitation, conservation, dissolution or other liquidation of any Credit Party or Restricted Subsidiary (other than a Newly Acquired Subsidiary or an Immaterial Subsidiary) or of the assets or any substantial part thereof of any Credit Party or Restricted Subsidiary (other than a Newly Acquired Subsidiary or an Immaterial Subsidiary) or any other similar remedy; or

(h) ERISA. With respect to any Single Employer Pension Plan or Multiemployer Plan, any ERISA Event has occurred that would reasonably be expected to result in the incurrence of liability by Holdings, or any of its Restricted Subsidiaries, or steps are taken to terminate any Multiemployer Plan and such termination would reasonably be expected to result in any liability of Holdings, or any of its Restricted Subsidiaries, where in any event, individually or in the aggregate, the liability incurred by Holdings and its Restricted Subsidiaries would reasonably be expected to have a Material Adverse Effect; or

(i) Judgments. A judgment or order for the payment of money in excess of the greater of (i) \$150,000,000 and (ii) 2.00% of the Net Worth of Holdings and its consolidated Restricted Subsidiaries (after (without duplication) the actual amounts of insurance recoveries, offsets and contributions received and amounts thereof not yet received but which the insurer thereon has acknowledged in writing its obligation to pay) shall be rendered against any Credit Party or Restricted Subsidiary (other than an Immaterial Subsidiary) and such judgment or order shall continue unsatisfied and unstayed for a period of ninety (90) days after entry of such judgment (and, for purposes of this clause, a judgment shall be stayed if, among other things, an appeal is timely filed and such judgment cannot be enforced); or

(j) Change of Control. There occurs any Change of Control; or

(k) Invalidity of Loan Documents. Any provision of any Loan Document (other than any Collateralized L/C Security Document), at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all Obligations, ceases to be in full force and effect; or any Credit Party contests in writing the validity or enforceability of any provision of any Loan Document (other than Collateralized L/C Security Document); or any Credit Party denies in writing that it has any further liability or obligation under

any provision of any Loan Document (other than any Collateralized L/C Security Document), or purports to revoke, terminate or rescind any provision of any Loan Document (other than any Collateralized L/C Security Document).

Section 8.02 *Remedies.* If any Event of Default shall have occurred and be continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders:

(a) declare the obligation of each Lender to make extensions of the Revolving Loans or issuances, extensions or renewals of Letters of Credit to be terminated;

(b) declare the unpaid principal amount of all outstanding Revolving Loans, all interest accrued and unpaid thereon and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, whereupon such outstanding principal amount of the Revolving Loans, all interest accrued and unpaid thereon and all other amounts owing or payable hereunder or under any other Loan Document shall become immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents or applicable law;

(d) exercise on behalf of itself and the Secured Parties all rights and remedies available to it and the Secured Parties under the Collateralized L/C Security Documents or applicable law;

provided that upon the occurrence of any event specified in Section 8.01(f) or Section 8.01(g) (upon the expiration of the 60-day period mentioned therein, if applicable), the obligation of each Lender to make Revolving Loans or issue, extend or renew Letters of Credit shall automatically terminate and the unpaid principal amount of all outstanding Revolving Loans and all interest and other amounts as aforesaid shall automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower.

Section 8.03 *Rights Not Exclusive.* The rights provided for in this Agreement and the other Loan Documents are cumulative and are not exclusive of any other rights, powers, privileges or remedies provided by law or in equity, or under any other instrument, document or agreement now existing or hereafter arising.

ARTICLE 9

THE AGENTS

Section 9.01 *Appointment and Authority.* Each of the Lenders hereby irrevocably appoints Wells Fargo to act on its behalf as the Administrative Agent hereunder and the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this

Article 9 are solely for the benefit of the Administrative Agent, the Arrangers, the Bookrunners, the Syndication Agents, the Documentation Agents and the Lenders, and neither the Borrower nor any other Credit Party shall have rights as a third-party beneficiary of any of such provisions (other than Sections 9.06 and 9.10).

Section 9.02 *Rights as a Lender.* The Person serving as the Administrative 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 the Administrative Agent, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower, any Credit Party or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 9.03 *Exculpatory Provisions.* No Agent-Related Person shall have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, no Agent-Related Person:

(a) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that it is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); *provided* that no Agent-Related Person shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent-Related Person to liability or that is contrary to any Loan Document or applicable law; and

(c) shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, or shall be liable for the failure to disclose, any information relating to Holdings or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent, any Agent-Related Person or any of their respective Affiliates in any capacity.

No Agent-Related Person shall be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as such Person shall believe in good faith shall be necessary, under the circumstances as provided in Sections 8.02 and 10.01) or (ii) in the absence of such Agent-Related Person's own gross negligence or willful misconduct. No Agent-Related Person shall be deemed to have knowledge of any Default unless and until notice describing such Default is given to such Agent-Related Person by the Borrower or a Lender.

No Agent-Related Person shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or

any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent-Related Person.

Section 9.04 *Reliance by Administrative Agent.* The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Revolving Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Revolving Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), 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.

Section 9.05 *Delegation of Duties.* The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by it. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article 9 shall apply to any such sub-agent selected by the Administrative Agent with reasonable care and to the Related Parties of the Administrative Agent, and shall apply to their respective activities in connection with the syndication of the Facility as well as activities as Administrative Agent.

Section 9.06 *Resignation of Administrative Agent.* The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above; *provided* that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents

(except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Administrative Agent, with the consent of the Borrower (such consent not to be unreasonably withheld, conditioned or delayed), as provided for above in this Section 9.06. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section 9.06). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article 9 and Sections 10.04 and 10.05 shall continue in effect for the benefit of such retiring Administrative 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 the retiring Administrative Agent was acting as Administrative Agent.

Section 9.07 *Non-Reliance on Administrative Agent and Other Lenders*. Each Lender acknowledges that it has, independently and without reliance upon any Agent-Related Person, any Arranger, any Bookrunner, any Syndication Agent, any Documentation Agent or any other Lender or any of their Related Parties 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-Related Person, any Arranger, any Bookrunner, any Syndication Agent, any Documentation Agent or any other Lender or any of their Related Parties 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 any related agreement or any document furnished hereunder or thereunder.

Each Lender expressly (a) acknowledges to the Administrative Agent and the Arranger that the Loan Documents set forth the terms of a commercial lending facility and (b) confirms to the Administrative Agent and the Arranger that (1) it is engaged in making, acquiring, purchasing or holding commercial loans in the ordinary course and is entering into this Agreement and the other Loan Documents to which it is a party as a Lender for the purpose of making, acquiring, purchasing and/or holding the commercial loans set forth herein as may be applicable to it, and not for the purpose of investing in the general performance or operations of Holdings, the Borrower and their Subsidiaries, or for the purpose of making, acquiring, purchasing or holding any other type of financial instrument such as a security, (2) it is sophisticated with respect to decisions to make, acquire, purchase or hold the commercial loans applicable to it and either it or the Person exercising discretion in making its decisions to make, acquire, purchase or hold such commercial loans is experienced in making, acquiring, purchasing or holding commercial loans, (3) it has, independently and without reliance upon the Administrative Agent, the Arranger, any other Lender

or any of their respective Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and appraisal of, and investigations into, the business, prospects, operations, property, assets, liabilities, financial and other condition and creditworthiness of Holdings, the Borrower and their Subsidiaries, all applicable bank or other regulatory Applicable Laws relating to the Transaction and the transactions contemplated by this Agreement and the other Loan Documents and (4) it has made its own independent decision to enter into this Agreement and the other Loan Documents to which it is a party and to extend credit hereunder and thereunder. Each Lender also acknowledges and agrees that (i) it will, independently and without reliance upon the Administrative Agent, the Arranger or any other Lender or any of their respective Related Parties (A) continue to make its own credit analysis, appraisals and decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder based on such documents and information as it shall from time to time deem appropriate and its own independent investigations and (B) continue to make such investigations and inquiries as it deems necessary to inform itself as to Holdings, the Borrower and their Subsidiaries and (ii) it will not assert any claim under any federal or state securities law or otherwise in contravention of this Section 9.07.

Section 9.08 *No Other Duties; Other Agents; Etc.* Each of RBC and US Bank are hereby appointed Syndication Agents hereunder, and each Lender hereby authorizes RBC and US Bank to act as Syndication Agents in accordance with the terms hereof and the other Loan Documents. Each of BMO Harris Bank N.A., The Bank of Nova Scotia, JPMorgan Chase Bank, N.A., PNC Bank, National Association, BNP Paribas USA, Inc. and Citibank, N.A. are hereby appointed Documentation Agents hereunder, and each Lender hereby authorizes BMO Harris Bank N.A., The Bank of Nova Scotia, JPMorgan Chase Bank, N.A., PNC Bank, National Association, BNP Paribas USA, Inc. and Citibank, N.A. to act as Documentation Agents in accordance with the terms hereof and the other Loan Documents. The Syndication Agents, Documentation Agents and any other Agent may resign from such role at any time, with immediate effect, by giving prior written notice thereof to the Administrative Agent and the Borrower. Anything herein to the contrary notwithstanding, none of the Arrangers, Bookrunners, Syndication Agents or Documentation Agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder.

Section 9.09 *Administrative Agent May File Proofs of Claim.* In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of the Revolving Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Revolving Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of

the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.02, 2.08, 10.04 and 10.05) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

(c) and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.02, 2.08, 10.04 and 10.05.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 9.10 *Collateral and Guarantee Matters*. No Secured Party shall have any right individually to realize upon any of the Collateralized L/C Collateral or to enforce any Guarantee, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Parties in accordance with the terms thereof. The Lenders irrevocably authorize the Administrative Agent to:

(a) release (x) any Guarantor from the Guarantee or (y) any Lien on any property granted to or held by the Administrative Agent under any Loan Document, (i) upon payment in full of all Obligations (other than unmatured, surviving contingent indemnification obligations) and the termination of all Revolving Commitments and the cancellation or expiration of all Letters of Credit (or Cash Collateralization of outstanding Letters of Credit at the Minimum Cash Collateral Amount), (ii) as expressly permitted under the Loan Documents, (iii) in connection with a merger, consolidation, amalgamation or sale of all or substantially all of the assets of a Restricted Subsidiary that is a Guarantor with or to the Borrower in accordance with Section 6.04 or (iv) in the case of clause (y), subject to Section 10.01, if approved, authorized or ratified in writing by Lenders having or holding Revolving Exposure and unused Revolving Commitments representing more than 66-2/3% of the aggregate Revolving Exposure and unused Revolving Commitments of all Revolving Lenders (*provided* that the aggregate amount of Revolving Exposure shall be determined with respect to any Defaulting Lender by disregarding the Revolving Exposure of such Defaulting Lender); and

(b) subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 7.01(j).

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the authority of the Administrative Agent to release or subordinate its interest in particular types or items of property, pursuant to this Section 9.10.

Section 9.11 *Indemnification of Agent-Related Persons.* Whether or not the transactions contemplated hereby are consummated, the Lenders shall indemnify upon demand each Agent-Related Person (to the extent not reimbursed by or on behalf of the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective portions of the total Revolving Loans and unused Revolving Commitments held on the date on which indemnification is sought, and hold harmless each Agent-Related Person from and against any and all Indemnified Liabilities incurred by it; *provided* that no Lender shall be liable for the payment to any Agent-Related Person of any portion of such Indemnified Liabilities to the extent determined in a final, nonappealable judgment by a court of competent jurisdiction to have resulted from such Agent-Related Person's own gross negligence or willful misconduct; and *provided, further*, that no action taken in accordance with the directions of the Required Lenders shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 9.11. Without limitation of the foregoing, each Lender shall reimburse each Agent-Related Person upon demand for its ratable share of any costs or out-of-pocket expenses (including Attorney Costs) incurred by such Agent-Related Person in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document or any document contemplated by or referred to herein, to the extent that such Agent-Related Person is not reimbursed for such expenses by or on behalf of the Borrower. The undertaking in this Section 9.11 shall survive the payment of all other Obligations and the resignation of the Administrative Agent or any Agent-Related Person.

Section 9.12 *Withholding Tax.* To the extent required by any applicable law, the Administrative Agent shall withhold from any payment to any Lender an amount equal to any applicable withholding Tax. If the IRS or any Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from any amount paid to or for the account of any Lender for any reason (including because the appropriate form was not delivered or was not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstances that rendered the exemption from, or reduction of, withholding Tax ineffective), such Lender shall indemnify and hold harmless the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by the Borrower and without limiting or expanding the obligation of the Borrower to do so) for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including any penalties, additions to Tax or interest thereon, together with all expenses incurred, including legal expenses and any out-of-pocket expenses, whether or not such Tax was 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 this Agreement or any other Loan Document against any amount due to the Administrative Agent under this Article 9. The agreements in this Article 9 shall survive the resignation and/or replacement of the Administrative Agent, any assignment of rights by, or the replacement of, a Lender, the termination of the Revolving Loans and the repayment, satisfaction or discharge of all obligations under this Agreement. Unless required by applicable laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender any refund of Taxes withheld or deducted from funds paid for the account of such Lender.

Section 9.13 *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 the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans in connection with the Revolving Loans, the Letters of Credit or the Revolving 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 Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement,

(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 Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Revolving Loans, the Letters of Credit, the Revolving 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 Revolving Loans, the Letters of Credit, the Revolving 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 the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that none of the Administrative Agent, or the Arrangers or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender's entrance into, participation in, administration of and performance of the Revolving Loans, the Letters of Credit, the Revolving Commitments and this Agreement (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).

Section 9.14 *Erroneous Payments.*

(a) Each Lender and any other party hereto hereby severally agrees that if (i) the Administrative Agent notifies (which such notice shall be conclusive absent manifest error) such Lender or any other Person that has received funds from the Administrative Agent or any of its Affiliates, either for its own account or on behalf of a Lender (each such recipient, a "**Payment Recipient**") that the Administrative Agent has determined in its sole discretion that any funds received by such Payment Recipient were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Payment Recipient) or (ii) any Payment Recipient receives any payment from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, as applicable, or (z) that such Payment Recipient otherwise becomes aware was transmitted or received in error or by mistake (in whole or in part) then, in each case, an error in payment shall be presumed to have been made (any such amounts specified in clauses (i) or (ii) of this Section 9.14(a), whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise; individually and collectively, an "**Erroneous Payment**"), then, in each case, such Payment Recipient is deemed to have knowledge of such error at the time of its receipt of such Erroneous Payment; provided that nothing in this Section 9.14 shall require the Administrative Agent to provide any of the notices specified in clauses (i) or (ii) above. Each Payment Recipient agrees that it shall not assert any right or claim to any Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

(b) Without limiting the immediately preceding clause (a), each Payment Recipient agrees that, in the case of clause (a)(ii) above, it shall promptly notify the Administrative Agent in writing of such occurrence.

(c) In the case of either clause (a)(i) or (a)(ii) above, such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and upon demand from the Administrative Agent such Payment Recipient shall (or, shall cause any Person who received any portion of an Erroneous Payment on its behalf to), promptly, but in all events no later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made in immediately available funds and in the currency so received, together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent at the Federal Funds Rate.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (c), from any Lender that is a Payment Recipient or an Affiliate of a Payment Recipient (such unrecovered amount as to such Lender, an "Erroneous Payment Return Deficiency"), then at the sole discretion of the Administrative Agent and upon the Administrative Agent's written notice to such Lender (i) such Lender shall be deemed to have made a cashless assignment of the full face amount of the portion of its Loans (but not its Revolving Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") to the Administrative Agent or, at the option of the Administrative Agent, the Administrative Agent's applicable lending affiliate in an amount that is equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Revolving Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") plus any accrued and unpaid interest on such assigned amount, without further consent or approval of any party hereto and without any payment by the Administrative Agent or its applicable lending affiliate as the assignee of such Erroneous Payment Deficiency Assignment. Without limitation of its rights hereunder, the Administrative Agent may cancel any Erroneous Payment Deficiency Assignment at any time by written notice to the applicable assigning Lender and upon such revocation all of the Loans assigned pursuant to such Erroneous Payment Deficiency Assignment shall be reassigned to such Lender without any requirement for payment or other consideration. The parties hereto acknowledge and agree that (1) any assignment contemplated in this clause (d) shall be made without any requirement for any payment or other consideration paid by the applicable assignee or received by the assignor, (2) the provisions of this clause (d) shall govern in the event of any conflict with the terms and conditions of Section 10.07 and (3) the Administrative Agent may reflect such assignments in the Register without further consent or action by any other Person.

(e) Each party hereto hereby agrees that (x) in the event an Erroneous Payment (or portion thereof) is not recovered from any Payment Recipient that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent (1) shall be subrogated to

all the rights of such Payment Recipient with respect to such amount and (2) is authorized to set off, net and apply any and all amounts at any time owing to such Payment Recipient under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Payment Recipient from any source, against any amount due to the Administrative Agent under this Section 9.14 or under the indemnification provisions of this Agreement, (y) the receipt of an Erroneous Payment by a Payment Recipient shall not for the purpose of this Agreement be treated as a payment, prepayment, repayment, discharge or other satisfaction of any Obligations owed by the Borrower or any other Credit Party, except, in each case of clause (x) and this clause (y), to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Credit Party for the purpose of making a payment on the Obligations and (z) except to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Credit Party for the purpose of making a payment on the Obligations, to the extent that an Erroneous Payment was in any way or at any time credited as payment or satisfaction of any of the Obligations, the Obligations or any part thereof that were so credited, and all rights of the Payment Recipient, as the case may be, shall be reinstated and continue in full force and effect as if such payment or satisfaction had never been received.

(f) Each party's obligations under this Section 9.14 shall survive the resignation or replacement of the Administrative Agent or any transfer of right or obligations by, or the replacement of, a Lender, the termination of the Revolving Commitments or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

(g) Nothing in this Section 9.14 will constitute a waiver or release of any claim of any party hereunder arising from any Payment Recipient's receipt of an Erroneous Payment.

ARTICLE 10

MISCELLANEOUS

Section 10.01 *Amendments and Waivers*. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Credit Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Credit Party, as the case may be, and acknowledged by the Administrative Agent, and each such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided that the Administrative Agent may, with the consent of the Borrower only, amend, modify or supplement this Agreement or any other Loan Document to cure any ambiguity, omission, defect or inconsistency (as reasonably determined by the Administrative Agent), so long as such amendment, modification or supplement does not adversely affect the rights of any Lender or the Lenders shall have received at least five (5) Business Days' prior written notice thereof 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, modification or supplement; *provided, further*, that no such amendment, waiver or consent shall:

(a) extend or increase the Revolving Commitment of any Lender (or reinstate any Revolving Commitment terminated pursuant to Section 8.02) without the written consent of such Lender; *provided* that no amendment, modification or waiver of any condition precedent, covenant, Default or Event of Default prior to the termination of the Revolving Commitments pursuant to Section 8.02 shall constitute an increase in any Revolving Commitment of any Lender;

(b) postpone or delay the maturity of the Revolving Loans or any reimbursement obligation in respect of any Letter of Credit or any date for the payment of any interest, premium or fees due to the Lenders (or any of them) hereunder or under any other Loan Document, or reduce the amount of, or rate, as applicable, waive or excuse any such payment, without the written consent of each Lender directly and adversely affected thereby (other than as a result of waiving (i) an Event of Default in accordance with the terms hereof, (ii) default interest hereunder to the extent a waiver of the underlying default giving rise to such default interest does not require a vote of all Lenders or (iii) a mandatory prepayment to be made hereunder); *provided* that, for the avoidance of doubt, the provisions of Section 3.05(b) shall not be deemed to be a reduction of the amount of, or rate of, interest payable on any Revolving Loan;

(c) amend the definition of "Required Lenders" or "Pro Rata Share" without the consent of each Lender; *provided* that with the consent of Required Lenders, additional extensions of credit pursuant hereto may be included in the determination of "Required Lenders" or "Pro Rata Share" on substantially the same basis as the Revolving Commitments and the Revolving Loans are included on the Effective Date without the written consent of each Lender;

(d) amend the definition of "Interest Period" to permit Interest Periods with a duration of longer than six months without the written consent of each Lender;

(e) release all or substantially all of the Collateralized L/C Collateral from the Collateralized L/C Liens or any Guarantor from the Guarantee except as expressly permitted under the Loan Documents (including Section 9.10(a)) and except in connection with a "credit bid" undertaken by the Administrative Agent at the direction of the Required Lenders pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code or other sale or disposition of assets in connection with an enforcement action with respect to the Collateralized L/C Collateral, as applicable, permitted pursuant to the applicable Loan Documents (in which case only the consent of the Required Lenders will be needed for such release), without the written consent of each Lender;

(f) extend the stated expiration date of any Letter of Credit beyond the Commitment Termination Date without the written consent of each Lender and the Administrative Agent, unless all such Letters of Credit are Cash Collateralized at the Minimum Cash Collateral Amount in accordance with Section 2.02(a)(vi);

(g) amend this Section 10.01, or any other provision of this Agreement that by its express terms requires the consent of all or all affected Lenders, without the written consent of each Lender or each affected Lender, as applicable;

(h) subject to Section 2.12, change Section 2.11 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender;

(i) consent to the assignment or transfer by any Credit Party of any of its rights and obligations under any Loan Document without the written consent of each Lender;

(j) amend, modify or waive this Agreement or the Guarantee Agreement so as to alter the ratable treatment of Obligations arising under the Loan Documents and Guaranteed Obligations arising under the Guaranteed Swap Contracts or the definition of "Guaranteed Swap Contract", "Obligations" or "Guaranteed Obligations" in each case in a manner adverse to any contractual counterparty to any such Guaranteed Swap Contract with Guaranteed Obligations then outstanding without the written consent of any such contractual counterparty;

(k) modify (i) the Collateralized L/C Aggregate Collateral Amount or any component thereof with the effect of increasing the Collateralized L/C Aggregate Collateral Amount or (ii) the Minimum Collateralized L/C Aggregate Collateral Amount or any component thereof with the effect of decreasing the Minimum Collateralized L/C Aggregate Collateral Amount, in each case, without the written consent of each Lender; or

(l) amend, modify, terminate or waive any provision of the Loan Documents as the same applies to the Administrative Agent, or any other provision hereof as the same applies to the rights or obligations of the Administrative Agent, in each case without the consent of the Administrative Agent;

provided, further, that (i) no such agreement shall, unless in writing and signed by the Administrative Agent, in addition to the Required Lenders or all the Lenders, as the case may be, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document (except with respect to the removal of the Administrative Agent) and (ii) any fee agreement referred to in Section 2.08 may be amended, or rights or privileges thereunder waived, in a writing executed by the parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except for any amendment, waiver or consent pursuant to Section 10.01(a), (b) or (c).

Section 10.02 Notices.

(a) Unless otherwise expressly provided herein, all notices and other communications *provided* for hereunder shall be in writing (including by facsimile or electronic transmission). All such written notices shall be mailed, emailed, faxed or delivered to the applicable address, facsimile number (*provided* that any matter transmitted by the Borrower by facsimile (1) shall be immediately confirmed by a telephone call to the recipient at the number specified on Schedule 10.02, and (2) shall be followed promptly by delivery of a hard copy original thereof) or (subject to clause (c) below) electronic mail address, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower, any other Credit Party or the Administrative Agent, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 10.02 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its administrative questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the Borrower and the Administrative Agent.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, four (4) Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile or electronic mail, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail (which form of delivery is subject to the provisions of clause (c) below), when delivered; *provided* that notices and other communications to the Administrative Agent pursuant to Article 2 shall not be effective until actually received by such Person. In no event shall a voicemail message be effective as a notice, communication or confirmation hereunder.

(b) Electronic Communications:

(1) Notices and other communications to the Administrative Agent, and the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites, including the Platform) pursuant to procedures approved by the Administrative Agent, *provided* that the foregoing shall not apply to notices to the Administrative Agent or any Lender pursuant to Article 2 if such Person has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment); *provided* that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing subclause (i) of notification that such notice or communication is available and identifying the website address therefor.

(2) Holdings and each of its Subsidiaries 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 that such losses, costs, expenses or liabilities are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of the Administrative Agent.

(3) The Platform and any Approved Electronic Communications are provided “as is” and “as available”. None of the Agent-Related Persons 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, except for such losses, costs, expenses or liabilities as are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Person. 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 Agent-Related Persons in connection with the Platform or the Approved Electronic Communications.

(4) Holdings, each of its Subsidiaries and each Lender agrees that the Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with the Administrative Agent’s customary document retention procedures and policies.

(c) The Agent-Related Persons and the Lenders shall be entitled to rely and act upon any notices purportedly given by or on behalf of the Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify each Agent-Related Person and each Lender from all losses, costs, out-of-pocket expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower; *provided* that such indemnity shall not, as to any such Person, be available to the extent that such losses, costs, expenses or liabilities are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Person. All telephonic notices to and other communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

Section 10.03 *No Waiver; Cumulative Remedies.* No failure to exercise and no delay in exercising, on the part of the Administrative Agent or any Lender, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 10.04 *Costs and Expenses*. The Borrower agrees to pay or reimburse (a) the Administrative Agent, each Arranger, each Bookrunner and each Syndication Agent, in each case together with their respective Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Persons and Affiliates, for all reasonable costs and out-of-pocket expenses incurred in connection with the development, preparation, negotiation and execution of this Agreement and the other Loan Documents, including all Attorney Costs, which Attorney Costs shall be limited to the reasonable fees and reasonable disbursements of Milbank LLP and, if reasonably necessary (in the sole discretion of the Administrative Agent), a single local counsel in each appropriate jurisdiction and a single insurance regulatory counsel, collectively, for each of the foregoing Persons, (b) each Agent-Related Person for all reasonable costs and out-of-pocket expenses incurred in connection with any amendment, waiver, consent or other modification of the provisions hereof and thereof and the consummation and administration of the transactions contemplated hereby and thereby, including all Attorney Costs, which Attorney Costs shall be limited to the reasonable fees and reasonable disbursements of a single primary counsel and, if reasonably necessary (in the sole discretion of the Administrative Agent), a single local counsel in each appropriate jurisdiction and a single insurance regulatory counsel, collectively, for each Agent-Related Person, and (c) each Agent-Related Person and each Lender for all costs and expenses incurred in connection with the enforcement, attempted enforcement or preservation of any rights or remedies under this Agreement (including this Section 10.04) or the other Loan Documents (including all such costs and expenses incurred during any “workout” or restructuring in respect of the Obligations and during any legal proceeding, including in any Insolvency Proceeding or appellate proceeding), including all reasonable fees, expenses and disbursements of any law firm or other external legal counsel. The foregoing costs and expenses shall include all search, filing, recording, title insurance and appraisal charges and fees and taxes (other than income taxes) related thereto and other out-of-pocket expenses incurred by each Agent-Related Person and the cost of independent public accountants and other outside experts (subject to the limitations above) retained by such Agent-Related Person or any Lender, as applicable. All amounts due under this Section 10.04 shall be payable within ten (10) Business Days after written demand therefor. The agreements in this Section 10.04 shall survive the repayment of the Revolving Loans and the other Obligations.

Section 10.05 *Borrower Indemnification; Damage Waiver*.

(a) Whether or not the transactions contemplated hereby are consummated, the Borrower shall indemnify and hold harmless the Administrative Agent, each Arranger, each Bookrunner, each Syndication Agent, each Documentation Agent, each Lender and their respective Affiliates, and the directors, officers, employees, agents and partners (to the extent such Person is a partnership) of such Persons and Affiliates involved with the Transactions (collectively, the “**Indemnified Persons**”) from and against any and all liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, charges and costs, expenses and disbursements (including reasonable Attorney Costs) of any kind or nature whatsoever (including those arising from or relating to any environmental matters) that may at any time be imposed on, incurred by or asserted against any such Indemnified Person by any third party or by the Borrower or any other Credit Party (x) that directly or indirectly owns the equity interests of the Borrower or (y) whose equity interests are owned directly or indirectly by the Borrower, in any way relating

to or arising out of or in connection with (i) the execution, delivery, enforcement, performance or administration of any Loan Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby, (ii) any Revolving Commitment, Revolving Loan or Letter of Credit or the use or proposed use of the proceeds therefrom, (iii) any Environmental Liability related to Holdings 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 (including any investigation of, preparation for or defense of any pending or threatened claim, investigation, litigation or proceeding) and regardless of whether any Indemnified Person is a party thereto (all the foregoing, collectively, the "**Indemnified Liabilities**"), in all cases, whether or not caused by or arising, in whole or in part, out of the negligence of the Indemnified Person; *provided* that such indemnity shall not, as to any Indemnified Person, be available to the extent that such liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses or disbursements (including Attorney Costs) (A) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Person in connection with or as a result of the transactions hereunder or (B) arise out of or are in connection with any claim, litigation, loss or proceeding not involving an act or omission of Holdings or any of its Subsidiaries (other than an Indemnified Person) and that is brought by an Indemnified Person against another Indemnified Person (other than against the Administrative Agent, any Arranger, any Bookrunner, any Syndication Agent or any Documentation Agent in their capacities as such or any other Indemnified Person in performing the services that are the subject of the Loan Documents). No Indemnified Person shall be liable for any damages arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement other than for any direct damages (and specifically excluding indirect, consequential, special or punitive damages) determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Person. Neither any Credit Party nor any Indemnified Person will have any liability for any indirect, consequential, special or punitive damages in connection with or as a result of such Credit Party's or such Indemnified Person's activities related to the transactions hereunder; *provided* that, that nothing contained in this sentence shall limit the Credit Parties' indemnification obligations hereunder to the extent such indirect, consequential, special or punitive damages are included in any third-party claim whereby any Indemnified Person is entitled to indemnification hereunder. All amounts due under this Section 10.05 shall be payable within thirty (30) days after written demand therefor together with, if requested by the Borrower, backup documentation supporting such indemnification request. The agreements in this Section 10.05 shall survive the resignation of the Administrative Agent, the replacement of any Lender and the repayment, satisfaction or discharge of all the other Obligations. This Section 10.05(a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) No Indemnified Person shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other

than for any direct damages (and specifically excluding indirect, consequential, special or punitive damages) determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnified Person.

Section 10.06 *Marshaling; Payments Set Aside.* Neither of the Administrative Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Credit Party or any other Person or against or in payment of any or all of the Obligations. To the extent that the Borrower makes a payment to the Administrative Agent or the Lenders (or to the Administrative Agent on behalf of the Lenders), or the Administrative Agent or any Lender enforces any security interests or exercises any right of set-off, and such payment or the proceeds of such enforcement or the proceeds of such set-off or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any Insolvency Proceeding or otherwise, then (a) to the extent of such recovery the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such set-off had not occurred and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its pro rata share of any amount so recovered from or repaid by the Administrative Agent.

Section 10.07 *Assignments, Successors, Participations, Etc.*

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Credit Party may assign or otherwise transfer any of its rights or obligations hereunder (except as expressly permitted in Section 6.04 or 7.02) without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of Section 10.07(b) or (ii) by way of participation in accordance with the provisions of Section 10.07(d) (and any other attempted assignment or transfer by any party hereto shall be null and void). 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, Participants (as defined below) to the extent provided in Section 10.07(e) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Revolving Commitment and Revolving Loans at the time owing to it (*provided, however*, that each assignment shall be of a uniform, and not varying, percentage of all rights and obligations under and in respect of any applicable Revolving Loan and any related Revolving Commitments)); *provided that*:

(i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Revolving Loans or Revolving Commitment at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund

with respect to a Lender, the aggregate amount of the Revolving 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 or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing under Section 8.01(a), (f) or (g), the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); *provided* that the Borrower shall be deemed to have consented unless it shall object thereto by written notice to the Administrative Agent within fifteen (15) Business Days after having received notice thereof;

(ii) 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 with respect to the Revolving Loans or the Revolving Commitments assigned under this Agreement;

(iii) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption; such Assignment and Assumption to be (A) electronically executed and delivered to the Administrative Agent via an electronic settlement system then acceptable to the Administrative Agent (or, if previously agreed with the Administrative Agent, manually) and (B) delivered together with a processing and recordation fee of \$[**], unless waived or reduced by the Administrative Agent in its sole discretion; *provided* that, no processing and recordation fee shall be payable in connection with an assignments by or to any Arranger or its Affiliates; and

(iv) if the Eligible Assignee shall not be a Lender, (A) the relevant assignor, at the time that it notifies the Administrative Agent of such proposed assignment, shall deliver to the Administrative Agent a duly executed Form W-9 of the proposed Eligible Assignee and (B) such Eligible Assignee shall deliver to the Administrative Agent an administrative questionnaire, in the form prescribed by the Administrative Agent.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 10.07(c), from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, (*provided* that, with respect to circumstances in effect on the effective date of such Assignment and Assumption, an Eligible Assignee shall not be entitled to receive any greater payment under Section 3.01 than the applicable Lender would have been entitled to receive had the assignment not taken place) 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 3.01, 3.03, 3.04, 10.04 and 10.05 with respect to facts and circumstances occurring prior to the effective date of such assignment). Upon request, the Borrower (at their expense) shall execute and deliver a Revolving Loan Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this

*[**]=Certain information contained in this document, marked by "[**]", has been excluded because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.*

Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 10.07(d).

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office 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 Revolving Commitments of, and principal and interest amounts of the Revolving Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and each Lender (with respect to its own interests in the Facility only) at any reasonable time and from time to time upon reasonable prior notice. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a Natural Person or the Borrower, Holdings or any Affiliate or Subsidiary of the Borrower or Holdings or any Disqualified Lender) (each, a "**Participant**") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Revolving Commitment and/or the owing to it); *provided* that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent 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, waiver or other modification described in the first proviso to Section 10.01 that directly affects such Participant. Except to the extent limited by Section 10.07(e), the Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.03 and 3.04 (subject to the limitations and requirements of such Sections (including Section 3.01(e) (it being understood that the documentation required under Section 3.01(e) shall be delivered to the participating Lender) and Section 3.01(f)) and Section 3.07, as if such Participant were a Lender) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.07(b). To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.09 as though it were a Lender; *provided* that such Participant agrees to be subject to Section 2.11 as though it were a Lender.

Each Lender that sells a participation pursuant to this Section 10.07(d) shall, acting solely for U.S. federal income tax purposes as a non-fiduciary agent of the Borrower, maintain a register on which it records the name and address of each participant and the principal amounts of each

participant's participation interest with respect to the Revolving Loans or other obligations under the Loan Documents (each, a "**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 Revolving Commitments, Revolving Loans or its other obligations under this Agreement) except to the extent that the relevant parties, acting reasonably and in good faith, determine that such disclosure is necessary to establish that such Revolving Commitment, Revolving Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations and Section 1.163-5(b)(1) of the proposed United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.03 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant; *provided* that this Section 10.07(e) shall not apply if the sale of the participation to such Participant is made with the Borrower's prior written consent.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Revolving Loan Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central bank of similar function having jurisdiction over such Lender; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.08 Confidentiality. The Administrative Agent, each Arranger, each Bookrunner, each Syndication Agent, each Documentation Agent and each Lender shall maintain the confidentiality of all information provided to it by or on behalf of Holdings or any Subsidiary, or by the Administrative Agent on Holdings' or such Subsidiary's behalf, under this Agreement or any other Loan Document, it being understood and agreed by the Credit Parties that, in any event, the Administrative Agent may disclose such information to the Lenders and the Administrative Agent, each Arranger, each Bookrunner, each Syndication Agent, each Documentation Agent and each Lender may make disclosures thereof to the extent such information (i) was or becomes generally available to the public other than as a result of disclosure by such Person on breach of the provisions of this Section 10.08, or (ii) was or becomes available

on a non-confidential basis from a source other than Holdings or its Subsidiaries; *provided* that such source is not bound by a confidentiality agreement with Holdings or any of its Subsidiaries known to such Person; *provided, further*, that the Administrative Agent, any Arranger, any Bookrunner, any Syndication Agent, any Documentation Agent or any Lender may disclose such information (a) at the request or pursuant to any requirement of any Governmental Authority or representative thereof to which such Person is subject (including the NAIC) or in connection with an examination of such Person by any such authority; (b) pursuant to subpoena or other court process; (c) when required to do so in accordance with the provisions of any applicable Requirement of Law; (d) to the extent reasonably required in connection with the exercise of any remedy hereunder or under any other Loan Document; (e) to such Person's independent auditors, credit insurance providers and other professional advisors on a confidential basis; (f) to any Participant, Lender or Eligible Assignee (including such parties' investors or investment or professional advisors), actual or potential; *provided* that such Person agrees to be bound by the terms of this Section 10.08 (or language substantially similar to this Section 10.08) which agreement may be pursuant to customary syndication practice; (g) as to any Lender or its Affiliate, as expressly permitted under the terms of any other document or agreement regarding confidentiality to which Holdings or any Subsidiary is party with such Lender or such Affiliate; (h) to its Affiliates and to their respective officers, directors, partners, members, employees, legal counsel, independent auditors and other advisors, experts or agents who need to know such information and who have been informed of the confidential nature thereof (and to other Persons authorized by a Lender or the Administrative Agent to organize, present or disseminate such information in connection with disclosures otherwise made in accordance with this Section 10.08); (i) to any other party to this Agreement; (j) to any pledgee referred to in Section 10.07(f) or any direct or indirect contractual counterparty or prospective counterparty (or such counterparty's or prospective counterparty's professional advisor) to any swap, derivative or other transaction under which payments are to be made by reference to the Credit Party and its obligations, this Agreement or payments hereunder; *provided* that such Person agrees to be bound by the terms of this Section 10.08 (or language substantially similar to this Section 10.08); (k) to Moody's and S&P and other rating agencies in connection with the ratings contemplated by the Loan Documents; (l) on a confidential basis to the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Revolving Loans and (m) with the consent of the Borrower. In addition, the Administrative Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, and on a need to know and confidential basis, similar services providers to the lending industry, and service providers to the Administrative Agent and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents. In the case of confidential information received from Holdings or any Subsidiary after the date hereof, such information shall be clearly identified at the time of delivery as confidential. In the case of clauses (b) and (c), the disclosing party shall give notice of such disclosure to the Borrower (other than any disclosure in connection with routine bank examinations), to the extent not otherwise prohibited by any Requirement of Law.

Section 10.09 *Set-off.* In addition to any rights and remedies of the Lenders provided by law, if an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is authorized at any time and from time to time, without prior notice to the Borrower,

any such notice being waived by the Borrower, 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 by, and other indebtedness at any time owing by, such Lender or Affiliate to or for the credit or the account of the Borrower against any and all Obligations owing to such Lender, now or hereafter existing, irrespective of whether or not the Administrative Agent or such Lender shall have made demand under this Agreement or any Loan Document and although such Obligations may be contingent or unmatured; *provided* that neither any Lender nor any of its Affiliates shall be entitled to exercise any such set off with respect to any trust, tax reserve, employee benefit or payroll account. Each Lender agrees to promptly notify the Borrower and the Administrative Agent after any such set-off and application made by such Lender; *provided* that the failure to give such notice shall not affect the validity of such set-off and application.

Section 10.10 *Notification of Addresses, Lending Offices, Etc.* Each Lender shall notify the Administrative Agent in writing of any changes in the address to which notices to the Lender should be directed, of addresses of any Lending Office, of payment instructions in respect of all payments to be made to it hereunder and of such other administrative information as the Administrative Agent shall reasonably request.

Section 10.11 *Effectiveness; Counterparts.* (a) This Agreement shall become effective upon (i) the execution of a counterpart hereof by each of the parties hereto, (ii) the receipt by the Borrower and the Administrative Agent of written notification of such execution and authorization of delivery thereof and (iii) the satisfaction or waiver of the conditions precedent set forth in Section 4.01. This Agreement may be executed in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute but one and the same instrument.

(a) Electronic Signatures. Delivery of an executed counterpart of a signature page of this Agreement by telecopy, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Agreement. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement and any other document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries 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, 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; *provided* that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent, *provided* that, the Administrative Agent hereby agrees to accept, and hereby consents to the use of, electronic signatures to this Agreement from all parties hereto. Without limiting the generality of the foregoing, the Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders and the Borrower, electronic images of this Agreement or any other Loan Documents (in each

case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the validity or enforceability of the Loan Documents based solely on the lack of paper original copies of any Loan Documents, including with respect to any signature pages thereto. Upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be followed by a manually executed counterpart thereof, if and when reasonably practicable.

Section 10.12 *Survival of Representations and Warranties*. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf, and shall continue in full force and effect as long as the Revolving Loans or any other Obligation hereunder shall remain unpaid or unsatisfied.

Section 10.13 *Severability*. If any provision of any Loan Document is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or unenforceability, (ii) the other provisions of the Loan Documents shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Lenders in order to carry out the intentions of the parties thereto as nearly as may be possible and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

Section 10.14 *Replacement of Defaulting Lenders and Non-Consenting Lenders*. If any Lender is a Defaulting Lender or a Non-Consenting Lender, then the 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, and consents required by, Section 10.07), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that:

(a) the Administrative Agent shall have received the assignment fee specified in Section 10.07(b) from the Borrower; and

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Revolving Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Sections 2.06(c), 3.01, 3.03 and 3.04) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts).

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

No action by or consent of a Defaulting Lender or a Non-Consenting Lender shall be necessary in connection with such assignment, which shall be immediately and automatically effective upon payment of such purchase price. In connection with any such assignment the Borrower, the Administrative Agent, such Defaulting Lender or such Non-Consenting Lender and the replacement Lender shall otherwise comply with this Section 10.14; *provided* that if such Defaulting Lender or such Non-Consenting Lender does not comply with this Section 10.14 within one (1) Business Day after the Borrower's request, compliance with this Section 10.14 shall not be required to effect such assignment.

Section 10.15 *Governing Law; Jurisdiction; Consent to Service of Process.*

(a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) Each of the parties hereto irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court for the Southern District of New York sitting in New York County, and any relevant appellate court, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each party hereto 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 court or, to the extent permitted by law, in such Federal court. Each party 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. Each Credit Party that is organized under the laws of a jurisdiction outside the United States hereby appoints the Borrower, and the Borrower hereby accepts such appointment, as agent for service of process of each such Credit Party in any matter related to this Agreement or the other Loan Documents. Nothing in any Loan Document shall affect any right that any Lender or the Administrative Agent may otherwise have to bring any action or proceeding relating to any Loan Document against any Credit Party or its properties in the courts of any jurisdiction.

(c) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to any Loan Document in any court referred to in clause (b) of this Section 10.15. Each party hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

(d) To the extent permitted by applicable law, each party hereto irrevocably consents to service of process in the manner provided for notices in Section 10.02. Nothing in any Loan Document will affect the right of any party hereto to serve process in any other manner permitted by law.

Section 10.16 *Waiver of Jury Trial.* EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY

WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 10.16 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO OR OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

Section 10.17 *PATRIOT Act Notice.* Each Lender and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Credit Party that pursuant to the requirements of PATRIOT Act, it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Credit Party in accordance with the PATRIOT Act.

Section 10.18 *Entire Agreement.* This Agreement, together with the other Loan Documents and any separate agreements with respect to fees payable to the Administrative Agent, the Arrangers and the Bookrunners, embodies the entire agreement and understanding among the Credit Parties, the Lenders and the Administrative Agent and supersedes all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof.

Notwithstanding the foregoing, other than the provisions of the Fee Letters and those provisions of the Commitment Letter which by the terms of the Commitment Letter remain in full force and effect after execution and delivery of the Loan Documents, on the Effective Date, all of the obligations of the Arrangers, Bookrunners and engagement parties under the Commitment Letter shall terminate and be superseded by the Loan Documents and the Arrangers, Bookrunners and engagement parties under the Commitment Letter shall be released from all liability in connection therewith, including any claim for injury or damages, whether consequential, special, direct, indirect, punitive or otherwise.

Section 10.19 *Independence of Covenants.* All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

Section 10.20 *Obligations Several; Independent Nature of Lenders Right.* The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Revolving Commitment of any other Lender hereunder. Nothing contained herein or in any other Loan Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to

constitute Lenders as a partnership, an association, a joint venture or any other kind of entity. The amounts payable at any time hereunder to each Lender shall be a separate and independent debt, and each Lender shall be entitled to protect and enforce its rights arising out hereof and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

Section 10.21 *No Fiduciary Duty.* The Administrative Agent, each Lender and their Affiliates (collectively, solely for purposes of this paragraph, the “Lenders”), may have economic interests that conflict with those of the Credit Parties, their stockholders and/or their affiliates. Each Credit Party agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and such Credit Party, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (a) 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 Credit Parties, on the other, and (b) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Credit 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 Credit Party, its stockholders or its Affiliates on other matters) or any other obligation to any Credit 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 Credit Party, its management, stockholders, creditors or any other Person. Each Credit 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 Credit 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 Credit Party, in connection with such transaction or the process leading thereto.

Section 10.22 *Judgment Currency.*

(a) This is an international loan transaction in which the specification of a particular currency (the “**Specified Currency**”) and place of payment (the “**Specified Place**”) is of the essence, and the obligation of each Credit Party under this Agreement to make payment to or for account of a Guaranteed Party in the Specified Currency shall not be discharged or satisfied by any tender or recovery pursuant to any judgment expressed or converted into any other currency or in another place except to the extent that such tender or recovery results in the effective receipt by such Guaranteed Party in the Specified Place of the full amount of the Specified Currency payable to such Guaranteed Party under this Agreement.

(b) If for the purpose of obtaining judgment in any court it is necessary to convert a sum due hereunder in the Specified Currency into another currency (the “**Judgment Currency**”), the rate of exchange that shall be applied shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase such Specified Currency at the principal office of the Administrative Agent in the Specified Place with the Judgment Currency on the

Business Day next preceding the day on which such judgment is rendered. The obligation of each Credit Party in respect of any such sum due from it to the Administrative Agent or any Guaranteed Party (the “**Entitled Person**”) shall, notwithstanding the rate of exchange actually applied in rendering such judgment, be discharged only to the extent that on the Business Day following receipt by such Entitled Person of any sum adjudged to be due hereunder in the Judgment Currency such Entitled Person may in accordance with normal banking procedures purchase and transfer of the Specified Currency to the Specified Place with the amount of the Judgment Currency so adjudged to be due; and each Credit Party hereby, as a separate obligation and notwithstanding any such judgment, agrees to indemnify such Entitled Person against, and to pay such Entitled Person on demand, in the Specified Currency, the amount (if any) by which the sum originally due to such Entitled Person in the Specified Currency hereunder exceeds the amount of the Specified Currency so purchased and transferred.

Section 10.23 *Acknowledgment and Consent to Bail-In of Affected Financial Institutions.* Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected 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 the applicable Resolution Authority.

Section 10.24 *Acknowledgment Regarding Any Supported QFCs.* To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Guaranteed Swap Contracts or any other agreement or instrument that is a QFC (such support, “**QFC Credit Support**” and each such QFC a “**Supported QFC**”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “**U.S. Special Resolution Regimes**”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC

may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a “**Covered Party**”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 10.24, the following terms have the following meanings:

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

“**Covered Entity**” means any of the following:

(i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

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

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

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their proper and duly authorized officers as of the day and year first above written.

GLOBAL ATLANTIC LIMITED
(DELAWARE), as Holdings and a Guarantor

By: /s/ Peggy Poon

Name: Peggy Poon

Title: Treasurer

GLOBAL ATLANTIC (FIN) COMPANY, as
Borrower

By: /s/ Peggy Poon

Name: Peggy Poon

Title: Treasurer

WELLS FARGO BANK, N.A.,
as Administrative Agent

By: /s/ William R. Goley

Name: William R. Goley

Title: Managing Director

WELLS FARGO BANK, N.A.,
as Lender

By: /s/ William R. Goley

Name: William R. Goley

Title: Managing Director

U.S. BANK NATIONAL ASSOCIATION,
as Lender

By: /s/ Kyle Rinderle

Name: Kyle Rinderle

Title: Vice President

[Signature Page to Credit Agreement]

**WELLS FARGO BANK,
N.A.,**
as Lender

By: /s/ William R. Goley
Name: William R. Goley
Title: Managing Director

ROYAL BANK OF CANADA,
as Lender

By: /s/ Alex Figueroa
Name: Alex Figueroa
Title: Authorized Signatory

U.S. BANK NATIONAL ASSOCIATION,
as Lender

By: /s/ Kyle Rinderle
Name: Kyle Rinderle
Title: Vice President

BMO BANK, N.A.,
as Lender

By: /s/ Chirs Clark
Name: Chirs Clark
Title: Managing Director

BNP PARIBAS,
as Lender

By: /s Hampton Smith
Name: Hampton Smith
Title: Managing Director

By: /s/ Patrick Cunnane
Name: Patrick Cunnane
Title: Director

CITIBANK, N.A.,
as Lender

By: /s/ Justine O' Connor
Name: Justine O' Connor
Title: Managing Director & VP of CBNA

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JPMORGAN CHASE BANK, N.A.,
as Leader

By: /s/ Austin Bennett

Name: Austin Bennett

Title: Vice President

[Signature Page to Credit Agreement]

PNC Bank, National Association
as Lender

By: /s/ Kathleen J. McClure
Name: Kathleen J. McClure
Title: VP - Underwriter

[Signature Page to Credit Agreement]

THE BANK OF NOVA SCOTIA ,
as Lender

By: /s/ Aron Lau

Name: Aron Lau

Title: Director

[Signature Page to Credit Agreement]

BANK OF AMERICA, N.A.,
as Lender

By: /s/ Chelsea Liu

Name: Chelsea Liu

Title: Vice President

[Signature Page to Credit Agreement]

BARCLAYS BANK PLC
as Lender

By: /s/ Edward Pan
Name: Edward Pan
Title: Vice President

[Signature Page to Credit Agreement]

COMMERZBANK AG, NEW YORK
as Lender

By: /s/ Michael McCarthy
Name: Michael McCarthy
Title: Managing Director

By: /s/ Toan B. Chu
Name: Toan B. Chu
Title: Director

[Signature Page to Credit Agreement]

GOLDMAN SACHS LENDING PARTNERS LLC
as Lender

By: /s/ Ananda DeRoche
Name: Ananda DeRoche
Title: Authorized Signatory

[Signature Page to Credit Agreement]

KEYBANK, NATIONAL ASSOCIATION
as Lender

By: /s/ Jason A. Nichols

Name: Jason A. Nichols

Title: Senior Vice President

[Signature Page to Credit Agreement]

MORGAN STANLEY BANK, N.A.
as Lender

By: /s/ Michael King
Name: Michael King
Title: Authorized Signatory

[Signature Page to Credit Agreement]

**ASSOCIATED BANK, N.A.,
as Lender**

By: /s/ Daniel R. Raynor

Name: Daniel R. Raynor

Title: Senior Vice President

[Signature Page to Credit Agreement]

SOCIETE GENERALE
as Lender

By: /s/ Arun Bansal

Name: Arun Bansal

Title: Managing Director

[Signature Page to Credit Agreement]

CO-CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Joseph Y. Bae, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2024 of KKR & Co. 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 officers 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 officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ Joseph Y. Bae

Joseph Y. Bae

Co-Chief Executive Officer

CO-CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Scott C. Nuttall, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2024 of KKR & Co. 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 officers 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 officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ Scott C. Nuttall

Scott C. Nuttall

Co-Chief Executive Officer

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Robert H. Lewin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended March 31, 2024 of KKR & Co. 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 officers 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 officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 9, 2024

/s/ Robert H. Lewin

Robert H. Lewin

Chief Financial Officer

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER

**Pursuant to 18 U.S.C. §1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of KKR & Co. Inc. (the "Corporation") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange Commission (the "Report"), I, Joseph Y. Bae, Co-Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: May 9, 2024

/s/ Joseph Y. Bae

Joseph Y. Bae
Co-Chief Executive Officer

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

CERTIFICATION OF CO-CHIEF EXECUTIVE OFFICER

**Pursuant to 18 U.S.C. §1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of KKR & Co. Inc. (the "Corporation") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange Commission (the "Report"), I, Scott C. Nuttall, Co-Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: May 9, 2024

/s/ Scott C. Nuttall

Scott C. Nuttall

Co-Chief Executive Officer

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

CERTIFICATION OF CHIEF FINANCIAL OFFICER

**Pursuant to 18 U.S.C. §1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of KKR & Co. Inc. (the "Corporation") on Form 10-Q for the period ended March 31, 2024 as filed with the Securities and Exchange Commission (the "Report"), I, Robert H. Lewin, Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: May 9, 2024

/s/ Robert H. Lewin

Robert H. Lewin

Chief Financial Officer

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.