

REFINITIV

## DELTA REPORT

### 10-Q

TTWO - TAKE TWO INTERACTIVE SOFT

10-Q - SEPTEMBER 30, 2024 COMPARED TO 10-Q - JUNE 30, 2024

The following comparison report has been automatically generated

**TOTAL DELTAS** 3529

█ **CHANGES** 242

█ **DELETIONS** 2900

█ **ADDITIONS** 387

**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 **June 30, 2024** **September 30, 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 001-34003

**TAKE-TWO INTERACTIVE SOFTWARE, INC.**

(Exact Name of Registrant as Specified in Its Charter)

**Delaware**

**51-0350842**

(State or Other Jurisdiction of  
Incorporation or Organization)

(I.R.S. Employer  
Identification No.)

**110 West 44th Street**

**10036**

**New York New York**

(Zip Code)

(Address of principal executive offices)

Registrant's Telephone Number, Including Area Code: **(646) 536-2842**

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

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

**Trading symbol**  
TTWO

**Name of each exchange on which registered**  
NASDAQ Global Select Market

**Securities registered pursuant to Section 12(g) of the Act: None**

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

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

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

Large accelerated filer  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. o

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 **July 29, 2024** **October 25, 2024**, there were **175,282,774** **175,627,391** shares of the Registrant's Common Stock outstanding, net of treasury stock.

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(All other items in this report are inapplicable)

### PART I. FINANCIAL INFORMATION

#### Item 1. Financial Statements

##### TAKE-TWO INTERACTIVE SOFTWARE, INC. CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS	(in millions, except per share amounts)	June 30, 2024	March 31, 2024	September 30, 2024	March 31, 2024
		(Unaudited)			
ASSETS					
ASSETS					
ASSETS					
Current assets:		Current assets:		Current assets:	
Cash and cash equivalents					
Short-term investments					
Restricted cash and cash equivalents					
Accounts receivable, net of allowances of \$1.2 and \$1.2 at June 30, 2024 and March 31, 2024, respectively					
Accounts receivable, net of allowances of \$1.3 and \$1.2 at September 30, 2024 and March 31, 2024, respectively					
Software development costs and licenses					
Contract assets					
Prepaid expenses and other					
Total current assets					
Fixed assets, net					

Right-of-use assets		
Software development costs and licenses, net of current portion		
Goodwill		
Other intangibles, net		
Long-term restricted cash and cash equivalents		
Long-term restricted cash and cash equivalents		
Long-term restricted cash and cash equivalents		
Other assets		
<b>Total assets</b>		
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:	Current liabilities:	Current liabilities:
Accounts payable		
Accrued expenses and other current liabilities		
Deferred revenue		
Lease liabilities		
Short-term debt, net		
<b>Total current liabilities</b>		
Long-term debt, net		
Non-current deferred revenue		
Non-current lease liabilities		
Non-current software development royalties		
Deferred tax liabilities, net		
Other long-term liabilities		
<b>Total liabilities</b>		
Commitments and contingencies (See <a href="#">Note 11</a> )	Commitments and contingencies (See <a href="#">Note 11</a> )	Commitments and contingencies (See <a href="#">Note 11</a> )
Stockholders' equity:	Stockholders' equity:	Stockholders' equity:
Preferred stock, \$0.01 par value, 5.0 shares authorized; no shares issued and outstanding at June 30, 2024 and March 31, 2024		
Common stock, \$0.01 par value, 300.0 and 300.0 shares authorized; 198.8 and 194.5 shares issued and 175.2 and 170.8 outstanding at June 30, 2024 and March 31, 2024, respectively		
Preferred stock, \$0.01 par value, 5.0 shares authorized; no shares issued and outstanding at September 30, 2024 and March 31, 2024		
Common stock, \$0.01 par value, 300.0 and 300.0 shares authorized; 199.2 and 194.5 shares issued and 175.5 and 170.8 outstanding at September 30, 2024 and March 31, 2024, respectively		
Additional paid-in capital		
Treasury stock, at cost; 23.7 and 23.7 common shares at June 30, 2024 and March 31, 2024, respectively		
Treasury stock, at cost; 23.7 and 23.7 common shares at September 30, 2024 and March 31, 2024, respectively		
Accumulated deficit		
Accumulated other comprehensive loss		
<b>Total stockholders' equity</b>		
<b>Total liabilities and stockholders' equity</b>		

See accompanying Notes.

TAKE-TWO INTERACTIVE SOFTWARE, INC.

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

	(in millions, except per share amounts)	
	Three Months Ended September 30,	Six Months Ended September 30,
	2024	2023
Net revenue:		
Net revenue:		
Net revenue:		
Game		
Game		
Game		
Advertising		
Advertising		
Advertising		
Total net revenue		
Total net revenue		
Total net revenue		
Cost of revenue		
Cost of revenue		
Cost of revenue		
Gross profit		
Gross profit		
Gross profit		
Selling and marketing		
Selling and marketing		
Selling and marketing		
Research and development		
Research and development		
Research and development		
General and administrative		
General and administrative		
General and administrative		
Depreciation and amortization		
Depreciation and amortization		
Depreciation and amortization		
Business reorganization		
Business reorganization		
Goodwill impairment		
Business reorganization		
Total operating expenses		
Total operating expenses		
Total operating expenses		
Loss from operations		
Loss from operations		
Loss from operations		
Interest and other, net		
Interest and other, net		
Interest and other, net		
(Loss) gain on fair value adjustments, net		
(Loss) gain on fair value adjustments, net		
(Loss) gain on fair value adjustments, net		

Loss before income taxes	
Loss before income taxes	
Loss on fair value adjustments, net	
Loss before income taxes	
Provision for (benefit from) income taxes	
Provision for (benefit from) income taxes	
Provision for (benefit from) income taxes	
Net loss	
Net loss	
Net loss	
Loss per share:	Loss per share:
Loss per share:	
Loss per share:	
Basic and diluted loss per share	
Basic and diluted loss per share	
Basic and diluted loss per share	

See accompanying Notes.

TAKE-TWO INTERACTIVE SOFTWARE, INC.			
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (Unaudited)			
(in millions)			
	Three Months Ended September 30,	Six Months Ended September 30,	
	2024	2023	2024
Net loss			
Net loss			
Net loss			
Other comprehensive (loss) income:	Other comprehensive (loss) income:	2023	2023
Other comprehensive (loss) income:			
Other comprehensive (loss) income:			
Foreign currency translation adjustment			
Foreign currency translation adjustment			
Foreign currency translation adjustment			
Change in fair value of available for sale securities			
Change in fair value of available for sale securities			
Change in fair value of available for sale securities			
Other comprehensive (loss) income			
Other comprehensive (loss) income			
Other comprehensive (loss) income			
Comprehensive loss			
Comprehensive loss			
Comprehensive loss			

See accompanying Notes.

**TAKE-TWO INTERACTIVE SOFTWARE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**

(in millions)

		Three Months Ended		Six Months Ended	
		June 30,		September 30,	
		2024	2023	2024	2023
<b>Operating activities:</b>		<b>Operating activities:</b>		<b>Operating activities:</b>	
Net loss					
Adjustments to reconcile net loss to net cash provided by operating activities:					
Amortization and impairment of software development costs and licenses					
Amortization and impairment of software development costs and licenses					
Amortization and impairment of software development costs and licenses					
Stock-based compensation					
Noncash lease expense					
Amortization and impairment of intangibles					
Depreciation					
Goodwill impairment					
Interest expense					
Interest expense					
Interest expense					
Other, net					
Other, net					
Gain on debt extinguishment					
Fair value adjustments					
Other, net					
Changes in assets and liabilities, net of effect from purchases of businesses:					
Accounts receivable					
Accounts receivable					
Accounts receivable					
Software development costs and licenses					
Prepaid expenses and other current and other non-current assets					
Deferred revenue					
Accounts payable, accrued expenses and other liabilities					
Net cash (used in) provided by operating activities					
<b>Investing activities:</b>		<b>Investing activities:</b>		<b>Investing activities:</b>	
Change in bank time deposits					
Sale and maturities of available-for-sale securities					
Purchases of fixed assets					
Purchases of fixed assets					
Purchases of fixed assets					
Purchases of long-term investments					
Purchases of long-term investments					
Purchases of long-term investments					
Business acquisitions					
Other					
Net cash (used in) provided by investing activities					
<b>Financing activities:</b>					
Tax payment related to net share settlements on restricted stock awards					
Tax payment related to net share settlements on restricted stock awards					
Tax payment related to net share settlements on restricted stock awards					

Issuance of common stock
Payment for settlement of convertible notes
Proceeds from issuance of debt
Cost of debt
Repayment of debt
Repayment of debt
Repayment of debt
Payment of contingent earn-out consideration
Net cash provided by (used in) financing activities
Effects of foreign currency exchange rates on cash, cash equivalents, and restricted cash and cash equivalents
Net change in cash, cash equivalents, and restricted cash and cash equivalents
Cash, cash equivalents, and restricted cash and cash equivalents, beginning of year <sup>(1)</sup>
Cash, cash equivalents, and restricted cash and cash equivalents, end of period <sup>(1)</sup>

<sup>(1)</sup> Cash, cash equivalents and restricted cash and cash equivalents shown on our Condensed Consolidated Statements of Cash Flow includes amounts in the Cash and cash equivalents, Restricted cash and cash equivalents, and Long-term restricted cash and cash equivalents on our Condensed Consolidated Balance Sheet.

See accompanying Notes.

**TAKE-TWO INTERACTIVE SOFTWARE, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (Unaudited)**  
(in millions)

	Three Months Ended June 30, 2024					Three Months Ended September 30, 2024						
	Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings/(Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Stockholder's Equity	Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings/(Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Stockholder's Equity
Balance, March 31, 2024												
Balance, June 30, 2024												
Balance, March 31, 2024												
Balance, June 30, 2024												
Balance, March 31, 2024												
Balance, June 30, 2024												
Net loss												
Change in cumulative foreign currency translation adjustment												
Stock-based compensation												
Stock-based compensation												
Stock-based compensation												
Issuance of restricted stock, net of forfeitures and cancellations												
Exercise of stock options												
Issuance of shares related to Zynga convertible notes												
Issuance of shares related to Gearbox acquisition												
Employee share purchase plan settlement												
Other changes, net												
Balance, June 30, 2024												

Other changes, net
Other changes, net
<b>Balance, September 30, 2024</b>

	Three Months Ended June 30, 2023					Three Months Ended September 30, 2023						
	Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings/Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Stockholder's Equity	Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings/Accumulated Deficit)	Accumulated Other Comprehensive Loss	Total Stockholder's Equity
Balance, March 31, 2023												
Balance, June 30, 2023												
Balance, March 31, 2023												
Balance, June 30, 2023												
Balance, March 31, 2023												
Balance, June 30, 2023												
Net loss												
Change in cumulative foreign currency translation adjustment												
Net unrealized loss on available-for-sale securities, net of taxes												
Net unrealized gain on available-for-sale securities, net of taxes												
Stock-based compensation												
Issuance of restricted stock, net of forfeitures and cancellations												
Net share settlement of restricted stock awards												
Employee share purchase plan settlement												
Exercise of stock options												
Balance, June 30, 2023												
Net share settlement of restricted stock awards												
Net share settlement of restricted stock awards												
Balance, September 30, 2023												

See accompanying Notes.

	Six Months Ended September 30, 2024										
	Common Stock			Treasury Stock			Retained Earnings/(Accumulated Deficit)			Accumulated Other Comprehensive Loss	
	Shares		Amount	Additional Paid-in Capital		Shares	Amount	Retained Earnings/(Accumulated Deficit)		Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount		Additional Paid-in Capital		Shares	Amount	Retained Earnings/(Accumulated Deficit)		Other Comprehensive Loss	Total Stockholders' Equity
Balance, March 31, 2024	194.5	\$ 1.9		9,371.6		(23.7)	\$ (1,020.6)	\$ (2,579.9)	\$ (105.1)	\$ 5,667.9	
Net loss	—	—		—		—	—	(627.5)	—	—	(627.5)
Change in cumulative foreign currency translation adjustment	—	—		—		—	—	—	—	66.2	66.2
Stock-based compensation	—	—		203.5		—	—	—	—	—	203.5
Issuance of restricted stock, net of forfeitures and cancellations	1.6	—		—		—	—	—	—	—	—
Employee share purchase plan settlement	0.2	—		23.3		—	—	—	—	—	23.3
Issuance of shares related to Zynga convertible notes	0.1	—		16.0		—	—	—	—	—	16.0

Issuance of shares related to Gearbox acquisition	2.8	—	448.6	—	—	—	—	—	448.6
Other changes, net	—	0.1	0.4	—	—	—	—	—	0.5
<b>Balance, September 30, 2024</b>	<b>199.2</b>	<b>\$ 2.0</b>	<b>\$ 10,063.4</b>	<b>(23.7)</b>	<b>\$ (1,020.6)</b>	<b>\$ (3,207.4)</b>	<b>\$ (38.9)</b>	<b>\$ 5,798.5</b>	

	Six Months Ended September 30, 2023									
	Common Stock			Treasury Stock		Accumulated				
	Additional		Paid-in		Retained			Other		Total
	Shares	Amount	Capital	Shares	Amount	Earnings(Accumulated)	Deficit)	Comprehensive	Loss	Stockholders' Equity
Balance, March 31, 2023	192.6	\$ 1.9	\$ 9,010.2	(23.7)	\$ (1,020.6)	\$ 1,164.3	\$ (113.3)	\$ 9,042.5		
Net loss	—	—	—	—	—	(749.6)	—	—	(749.6)	
Change in cumulative foreign currency translation adjustment	—	—	—	—	—	—	—	(37.1)	(37.1)	
Net unrealized gain on available-for-sale securities, net of taxes	—	—	—	—	—	—	—	1.3	1.3	
Stock-based compensation	—	—	211.4	—	—	—	—	—	—	211.4
Issuance of restricted stock, net of forfeitures and cancellations	1.3	—	—	—	—	—	—	—	—	—
Net share settlement of restricted stock awards	(0.4)	—	(57.1)	—	—	—	—	—	(57.1)	
Employee share purchase plan settlement	0.2	—	18.5	—	—	—	—	—	—	18.5
Exercise of stock options	—	—	0.2	—	—	—	—	—	—	0.2
<b>Balance, September 30, 2023</b>	<b>193.7</b>	<b>\$ 1.9</b>	<b>\$ 9,183.2</b>	<b>(23.7)</b>	<b>\$ (1,020.6)</b>	<b>\$ 414.7</b>	<b>\$ (149.1)</b>	<b>\$ 8,430.1</b>		

See accompanying Notes.

### TAKE-TWO INTERACTIVE SOFTWARE, INC.

#### Notes to Condensed Consolidated Financial Statements (Unaudited)

(in millions, except per share amounts)

#### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Take-Two Interactive Software, Inc. (the "Company," "we," "us," or similar pronouns) was incorporated in the state of Delaware in 1993. We are a leading developer, publisher, and marketer of interactive entertainment for consumers around the globe. We develop, operate, and publish products principally through Rockstar Games, 2K, and Zynga. In October 2024, we sold our Private Division and Zynga label, including our rights to substantially all of the label's titles. Our products are designed for console gaming systems, PC, and mobile, including smartphones and tablets. We deliver our products through physical retail, digital download, online platforms, and cloud streaming services.

#### Basis of Presentation

The accompanying Condensed Consolidated Financial Statements are unaudited and include the accounts of the Company and its wholly-owned subsidiaries and, in our opinion, reflect all normal and recurring adjustments necessary for the fair presentation of our financial position, results of operations, and cash flows. Interim results may not be indicative of the results that may be expected for the full fiscal year. All intercompany accounts and transactions have been eliminated in consolidation. The preparation of these Condensed Consolidated Financial Statements in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in these Condensed Consolidated Financial Statements and accompanying notes. As permitted under U.S. GAAP, interim accounting for certain expenses, including income taxes, is based on full year assumptions when appropriate. Actual results could differ materially from those estimates, which may affect economic conditions in a number of different ways and result in uncertainty and risk.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been omitted pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"), although we believe that the disclosures are adequate to make the information presented not misleading. These Condensed Consolidated Financial Statements and accompanying notes should be read in conjunction with our annual Consolidated Financial Statements and the notes thereto, included in our [Annual Report on Form 10-K](#) for the fiscal year ended March 31, 2024.

Certain immaterial reclassifications have been made to prior period amounts to conform to the current period presentation.

#### Recent Accounting Pronouncements

##### Expense Disaggregation Disclosures

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires additional, disaggregated disclosure about certain income statement expense line items. ASU 2024-03 is effective

for fiscal years beginning after December 15, 2026 (April 1, 2027 for the Company) and interim periods within fiscal years beginning after December 15, 2027 (April 1, 2028 for the Company). We are currently evaluating the potential impact of adopting this guidance on our Consolidated Financial Statements and related disclosures.

#### Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which expands disclosures in an entity's income tax rate reconciliation table and regarding cash taxes paid both in the U.S. and foreign jurisdictions. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024 (April 1, 2025 for the Company). The amendments in this ASU are required to be applied on a prospective basis and retrospective adoption is permitted. We are currently evaluating the potential impact of adopting this guidance on our Consolidated Financial Statements and related disclosures.

#### Segment Reporting Disclosures

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which updates reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023 (April 1, 2024 for the Company) and interim periods within fiscal years beginning after December 15, 2024 (April 1, 2025 for the Company). The amendments in this ASU must be applied on a retrospective basis to all prior periods presented in the financial statements. We are currently evaluating the potential impact of adopting this guidance on our Consolidated Financial Statements and related disclosures.

## 2. REVENUE FROM CONTRACTS WITH CUSTOMERS

### Disaggregation of Revenue

#### Timing of recognition

Net revenue recognized at a point in time is primarily comprised of the portion of revenue from software products that is recognized when the customer takes control of the product (i.e. upon delivery of the software product).

Net revenue recognized over time is primarily comprised of revenue from our software products that include game related services, separate virtual currency transactions, and in-game purchases, which are recognized over an estimated service period. Net revenue recognized over time also includes in-game advertising, which is recognized over a contractual term.

Net revenue by timing of recognition was as follows:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2024	Three Months Ended June 30, 2024	Three Months Ended September 30, 2024	Six Months Ended September 30, 2024	2024	2023
<b>Net revenue recognized:</b>							
<b>Net revenue recognized:</b>							
<b>Net revenue recognized:</b>							
Over time							
Over time							
Over time							
Point in time							
Point in time							
Point in time							
<b>Total net revenue</b>							
<b>Total net revenue</b>							
<b>Total net revenue</b>							

#### Content

Recurrent consumer spending ("RCS") is generated from ongoing consumer engagement and includes revenue from virtual currency, add-on content, in-game purchases, and in-game advertising.

Full game and other revenue primarily includes the initial sale of full game software products, which may include offline and/or significant game related services.

Net revenue by content was as follows:

	Three Months Ended June 30,	Three Months Ended June 30,	Three Months Ended June 30,	Three Months Ended September 30,	Six Months Ended September 30,	2024	2023
	2024	2024	2024	2024	2023	2024	2023
<b>Net revenue recognized:</b>							
Net revenue recognized:							
<b>Net revenue recognized:</b>							
Recurrent consumer spending							
Recurrent consumer spending							
Recurrent consumer spending							
Full game and other							
Full game and other							
Full game and other							
Total net revenue							
<b>Total net revenue</b>							
<b>Total net revenue</b>							

#### Geography

We attribute net revenue to geographic regions based on software product destination. Net revenue by geographic region was as follows:

	Three Months Ended June 30,	Three Months Ended June 30,	Three Months Ended June 30,	Three Months Ended September 30,	Six Months Ended September 30,	2024	2023
	2024	2024	2024	2024	2023	2024	2023
<b>Net revenue recognized:</b>							
Net revenue recognized:							
<b>Net revenue recognized:</b>							
United States							
United States							
United States							
International							
International							
International							
Total net revenue							
<b>Total net revenue</b>							
<b>Total net revenue</b>							

#### Platform

Net revenue by platform was as follows:

	Three Months Ended June 30,	Three Months Ended June 30,	Three Months Ended June 30,	Three Months Ended September 30,	Six Months Ended September 30,	2024	2023
	2024	2024	2024	2024	2023	2024	2023
<b>Net revenue recognized:</b>							
Net revenue recognized:							
<b>Net revenue recognized:</b>							

	2024
<b>Net revenue recognized:</b>	
Net revenue recognized:	
Net revenue recognized:	
Mobile	
Mobile	
Mobile	
Console	
Console	
Console	
PC and other	
PC and other	
PC and other	
Total net revenue	
Total net revenue	
Total net revenue	

#### **Distribution Channel**

Our products are delivered through digital online services (digital download, online platforms, and cloud streaming) and physical retail and other. Net revenue by distribution channel was as follows:

	Three Months Ended June 30,	Three Months Ended June 30,	Three Months Ended June 30,	Three Months Ended September 30,	Six Months Ended September 30,	
	2024	2024	2024	2024	2023	
<b>Net revenue recognized:</b>						
Net revenue recognized:						
Net revenue recognized:						
Digital online						
Digital online						
Digital online						
Physical retail and other						
Physical retail and other						
Physical retail and other						
Total net revenue						
Total net revenue						
Total net revenue						

#### **Deferred Revenue**

We record deferred revenue when payments are due or received in advance of the fulfillment of our associated performance obligations. The balance of deferred revenue, including current and non-current balances as of **June 30, 2024** **September 30, 2024** and **March 31, 2024** were **\$983.5** **\$1,099.6** and **\$1,102.4**, respectively. For the **three** **six** months ended **June 30, 2024** **September 30, 2024**, the additions to our deferred revenue balance were due primarily to cash payments received or due in advance of satisfying our performance obligations, while the reductions to our deferred revenue balance were due primarily to the recognition of revenue upon fulfillment of our performance obligations, both of which were in the ordinary course of business.

During the three months ended **June 30, 2024** **September 30, 2024** and **2023**, **\$523.9** **\$300.6** and **\$523.9** **\$314.3**, respectively, of revenue was recognized that was included in the deferred revenue balance at the beginning of the respective period. During the six months ended **September 30, 2024** and **2023**, **\$824.5** and **\$838.2**, respectively, of revenue was recognized that was included in the deferred revenue balance at the beginning of the respective period. As of **June 30, 2024** **September 30, 2024**, the aggregate amount of contract revenue allocated to unsatisfied performance obligations is **\$1,089.4** **\$1,218.1**, which includes our deferred revenue balances and amounts to be invoiced and recognized as revenue in future periods. We expect to recognize approximately **\$1,010.8** **\$1,125.4** of this balance as revenue over the next 12 months, and the remainder thereafter. This balance does not include an estimate for variable consideration arising from sales-based royalty license revenue in excess of the contractual minimum guarantee.

As of **June 30, 2024** **September 30, 2024** and **March 31, 2024**, our contract asset balances were **\$80.7** **\$79.4** and **\$85.0**, respectively.

### 3. MANAGEMENT AGREEMENT

In May 2022, we entered into a management agreement (the "2022 Management Agreement") with ZelnickMedia Corporation ("ZelnickMedia") that replaced our previous agreement with ZelnickMedia and pursuant to which ZelnickMedia will continue to provide financial and management consulting services to the Company through March 31, 2029. The 2022 Management Agreement became effective May 23, 2022. On May 21, 2022, ZelnickMedia assigned substantially all of its

rights and obligations and other liabilities under the 2022 Management Agreement to ZMC Advisors, L.P. ("ZMC Advisors"). References to "ZMC" herein shall mean either ZelnickMedia or ZMC Advisors, as appropriate. As part of the 2022 Management Agreement, Strauss Zelnick continues to serve as Executive Chairman and Chief Executive Officer of the Company, and Karl Slatoff continues to serve as President of the Company. The 2022 Management Agreement provides for an annual management fee of \$3.3 over the term of the agreement and a maximum annual bonus opportunity of \$13.2 over the term of the agreement, based on the Company achieving certain performance thresholds. In connection with the 2022 Management Agreement, we have granted and expect to grant time-based and performance-based restricted units to ZMC.

In consideration for ZMC's services, we recorded consulting expense in General and administrative expenses on our Condensed Consolidated Statements of Operations of \$2.6 \$2.5 and \$2.8 \$2.4 during the three months ended June 30, 2024 September 30, 2024 and 2023,

respectively, and \$5.1 and \$5.2 during the six months ended September 30, 2024 and 2023, respectively. We recorded stock-based compensation expense for restricted stock units granted to ZMC, which is also included in General and administrative expenses, of \$12.4 \$14.7 and \$11.2 \$13.9 during the three months ended June 30, 2024 September 30, 2024 and 2023, respectively, and \$27.1 and \$25.1 during the six months ended September 30, 2024 and 2023, respectively.

In connection with the 2022 Management Agreement, we granted restricted stock units (in thousands) to ZMC as follows:

	Three Months Ended June 30,		Six Months Ended September 30,	
	2024	2023	2024	2023
Time-based				
Market-based <sup>(1)</sup>				
Performance-based <sup>(1)</sup>				
Total Restricted Stock Units				

<sup>(1)</sup> Represents the maximum of shares eligible to vest

Time-based restricted stock units granted pursuant to the 2022 Management Agreement in fiscal year 2025 will vest on June 1, 2025, June 1, 2026, and June 1, 2027, and those granted in fiscal year 2024, partially vested on June 1, 2024 and will also vest June 1, 2025 and June 1, 2026. Time-based restricted stock units granted in fiscal year 2023, partially vested on June 1, 2023 and June 1, 2024 and will also vest June 1, 2025.

Market-based restricted stock units granted pursuant to the 2022 Management Agreement in fiscal year 2025 are eligible to vest on June 1, 2027, those granted in fiscal year 2024 are eligible to vest on June 1, 2026, and those granted in fiscal year 2023 are eligible to vest on June 1, 2025. Market-based restricted stock units are eligible to vest based on the Company's Total Shareholder Return (as defined in the relevant grant agreement) relative to the Total Shareholder Return (as defined in the relevant grant agreement) of the companies that constitute the NASDAQ 100 index under the 2022 Management Agreement (as defined in the relevant grant agreement) as of the grant date measured over a three-year period, as applicable. To earn the target number of market-based restricted stock units (which represents 50% of the number of the market-based restricted stock units set forth in the table above), the Company must perform at the 50th percentile, with the maximum number of market-based restricted stock units earned if the Company performs at the 75th percentile.

Performance-based restricted stock units granted pursuant to the 2022 Management Agreement in fiscal year 2025 are eligible to vest on June 1, 2027, those granted in fiscal year 2024 are eligible to vest on June 1, 2026, and those granted in fiscal year 2023 are eligible to vest on June 1, 2025. The performance-based restricted stock units are tied to "RCS" (as defined in the relevant grant agreement) and are eligible to vest based on the Company's achievement of certain performance metrics (as defined in the relevant grant agreement) of "RCS" measured over a three-year period. The target number of performance-based restricted stock units that may be earned pursuant to these grants is equal to 50% of the grant amounts set forth in the above table (the numbers in the table represent the maximum number of performance-based restricted stock units that may be earned). At the end of each reporting period, we assess the probability of each performance metric and upon determination that certain thresholds are probable, we record expense for the unvested portion of the shares of performance-based restricted stock units.

The unvested portions of time-based, market-based and performance-based restricted stock units held by ZMC were 1.4 and 1.3 as of June 30, 2024 September 30, 2024 and March 31, 2024, respectively. During the three six months ended June 30, 2024 September 30, 2024, 0.4 restricted stock units previously granted to ZMC vested, and 0.1 restricted stock units were forfeited by ZMC.

### 4. FAIR VALUE MEASUREMENTS

*Recurring fair value measurements*

The carrying amounts of our financial instruments, including cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, prepaid expenses and other, accounts payable, and accrued expenses and other current liabilities, approximate fair value because of their short maturities.

We follow a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of "observable inputs" and minimize the use of "unobservable inputs." The three levels of inputs used to measure fair value are as follows:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs other than quoted prices included in Level 1, such as quoted prices for markets that are not active or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies, and similar techniques that use significant unobservable inputs.

The table below segregates all assets and liabilities that are measured at fair value on a recurring basis (which is measured at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date.

	June 30, 2024			September 30, 2024			September 30, 2024			September 30, 2024		
	June 30, 2024			September 30, 2024			September 30, 2024			September 30, 2024		
	June 30, 2024			September 30, 2024			September 30, 2024			September 30, 2024		
	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)	Total	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)	Total	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)	Total
<b>Assets:</b>												
Cash and cash equivalents:												
Cash and cash equivalents:												
Cash and cash equivalents:												
Money market funds												
Money market funds												
Money market funds												
Bank-time deposits												
Short-term investments:												
Bank-time deposits												
Bank-time deposits												
Bank-time deposits												
Restricted cash and cash equivalents:												
Money market funds												
Money market funds												
Money market funds												
Bank-time deposits												
Restricted cash and cash equivalents, long term:												
Money market funds												
Money market funds												
Money market funds												
Other assets:												
Other assets:												
Other assets:												
Private equity												

Private equity
Private equity
Equity securities
Foreign currency forward contracts
<b>Total financial assets</b>
<b>Total financial assets</b>
Total financial assets
<b>Liabilities:</b>
<b>Liabilities:</b>
<b>Liabilities:</b>
Accrued expenses and other current liabilities:
Accrued expenses and other current liabilities:
Accrued expenses and other current liabilities:
Contingent earn-out consideration
Contingent earn-out consideration
Contingent earn-out consideration
Other-long term liabilities:
Contingent earn-out consideration
Contingent earn-out consideration
Contingent earn-out consideration
<b>Long-term debt, net:</b>
Convertible notes
Convertible notes
Convertible notes
<b>Total financial liabilities</b>
<b>Total financial assets</b>

	March 31, 2024				
	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)		Total
<b>Assets:</b>					
Cash and cash equivalents:					
Money market funds	\$ 177.5	\$ —	\$ —	\$ —	177.5
Bank-time deposits	64.8	—	—	—	64.8
Short-term investments:					
Bank-time deposits	22.0	—	—	—	22.0
Restricted cash and cash equivalents:					
Money market funds	238.3	—	—	—	238.3
Bank-time deposits	0.5	—	—	—	0.5
Restricted cash and cash equivalents, long term:					
Money market funds	95.9	—	—	—	95.9
Other assets:					
Private equity	—	—	26.8	—	26.8
<b>Total financial assets</b>	<b>\$ 599.0</b>	<b>\$ —</b>	<b>\$ 26.8</b>	<b>\$ —</b>	<b>\$ 625.8</b>
<b>Liabilities:</b>					
Accrued expenses and other current liabilities:					

Contingent earn-out consideration	\$	—	\$	—	\$	12.4	\$	12.4
<b>Other long-term liabilities:</b>								
Contingent earn-out consideration	—	—	—	—	0.7	—	0.7	0.7
<b>Short-term debt, net:</b>								
Convertible notes	—	24.6	—	—	—	—	24.6	24.6
<b>Long-term debt, net:</b>								
Convertible notes	—	25.9	—	—	—	—	25.9	25.9
<b>Total financial liabilities</b>	<b>\$</b>	<b>—</b>	<b>\$</b>	<b>50.5</b>	<b>\$</b>	<b>13.1</b>	<b>\$</b>	<b>63.6</b>

We did not have any transfers between Level 1 and Level 2 fair value measurements, nor did we have any transfers into or out of Level 3 during the **three** **six** months ended **June 30, 2024** **September 30, 2024**.

#### Nonrecurring fair value measurements

We hold equity investments in certain unconsolidated entities without a readily determinable fair value. These strategic investments represent less than a 20% ownership interest in each of the privately-held affiliates, and we do not maintain significant influence over or control of the entities. We have elected the practical expedient in Topic 321, *Investments—Equity Securities*, to measure these investments at cost less any impairment, adjusted for observable price changes, if any. Based on these considerations, we estimate that the carrying value of the acquired shares represents the fair value of the investment. At **June 30, 2024** **September 30, 2024**, and March 31, 2024, we held \$8.0 and \$8.0, respectively, of such investments in Other assets within our Condensed Consolidated Balance Sheet.

## 5. SHORT-TERM INVESTMENTS

Our Short-term investments consisted of the following:

		June 30, 2024			September 30, 2024			Fair Value
		Cost or Amortized Cost	Gross Unrealized		Fair Value	Cost or Amortized Cost	Gross Unrealized	
			Gains	Losses			Gains	Losses
Short-term investments	Short-term investments			Short-term investments				
Bank time deposits								
Total Short-term investments								
Total Short-term investments								
Total Short-term investments								

		March 31, 2024				
		Gross Unrealized				
		Cost or Amortized Cost	Gains	Losses	Fair Value	
Short-term investments	Short-term investments					
Bank time deposits		\$ 22.0	\$ —	\$ —	\$ 22.0	
Total Short-term investments		\$ 22.0	\$ —	\$ —	\$ 22.0	

The following table summarizes the contracted maturities of our short-term investments at **June 30, 2024** **September 30, 2024**:

		June 30, 2024			September 30, 2024		
		Amortized Cost		Fair Value	Amortized Cost	Fair Value	
		Short-term investments					
Short-term investments							

Due in 1 year or less
Total Short-term investments
Total Short-term investments
Total Short-term investments

## 6. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Our risk management strategy includes the use of derivative financial instruments to reduce the volatility associated with changes in foreign currency exchange rates on earnings, cash flows, and certain balance sheet amounts. We do not enter into derivative financial contracts for speculative or trading purposes. We recognize derivative instruments as either assets or liabilities on our Consolidated Balance Sheets, and we measure those instruments at fair value. We classify cash flows from derivative transactions as cash flows from operating activities in our Consolidated Statements of Cash Flows.

### Foreign currency forward contracts

The following table shows the gross notional amounts of foreign currency forward contracts:

	June 30, 2024	March 31, 2024
	September 30, 2024	March 31, 2024
Forward contracts to sell foreign currencies		
Forward contracts to purchase foreign currencies		

For the three months ended **June 30, 2024** **September 30, 2024** and 2023, we recorded a loss of \$3.3 and a gain of \$3.6, respectively, and for the six months ended **September 30, 2024** and 2023, we recorded a gain of **\$3.5** \$0.2 and a gain of **\$3.8** \$7.4, respectively, related to foreign currency forward contracts in Interest and other, net on our Condensed Consolidated Statements of Operations. Our foreign currency exchange forward contracts are not designated as hedging instruments under hedge accounting and are used to reduce the impact of foreign currency on certain balance sheet exposures. These instruments are generally short-term in nature, with typical maturities of less than one year, and are subject to fluctuations in foreign exchange rates.

## 7. SOFTWARE DEVELOPMENT COSTS AND LICENSES

Details of our capitalized software development costs and licenses were as follows:

	June 30, 2024	March 31, 2024	September 30, 2024	March 31, 2024
	Current	Non- current	Current	Non- current
Software development costs, internally developed				
Software development costs, externally developed				
Licenses				
Software development costs and licenses				

During the three months ended **June 30, 2024** **September 30, 2024** and 2023, we recorded **\$23.3** \$11.5 and **\$18.2** \$3.5, respectively, of software development impairment charges (a component of Cost of revenue). During The impairment charges recorded during the three months ended **June 30, 2024**, the impairment charges **September 30, 2024** related to our cost reduction program (refer to [Note 15 - Business Reorganization](#)). During The impairment charges recorded during the three months ended **June 30, 2023**, the impairment charges **September 30, 2023** related to recognizing unamortized capitalized costs for the development of titles, which were anticipated to exceed the net realizable value of the asset at the time they were impaired.

During the six months ended September 30, 2024 and 2023, we recorded \$34.8 and \$21.7, respectively, of software development impairment charges (a component of Cost of revenue). The impairment charges recorded during the six months ended September 30, 2024 related to our cost reduction program (refer to [Note 15 - Business Reorganization](#)). The impairment charges recorded during the six months ended September 30, 2023 related to unamortized capitalized costs for the development of titles, which were anticipated to exceed the net realizable value of the asset at the time they were impaired.

## 8. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following:

	June 30, 2024	March 31, 2024	September 30, 2024	March 31, 2024

Software development royalties
Compensation and benefits
Licenses
Tax payable
Marketing and promotions
Licenses
Settlement accrual
Refund liability
Interest payable
Refund liability
Sales tax liability
Professional fees
Deferred acquisition payments
Other
Accrued expenses and other current liabilities

## 9. DEBT

The components of Long-term debt, net on our Condensed Consolidated Balance Sheet were as follows:

	Annual Interest Rate	Maturity Date	June 30, 2024	Fair Value (Level 2)
2026 Notes	5.00%	March 28, 2026	\$ 550.0	\$ 546.3
2027 Notes	3.70%	April 14, 2027	600.0	577.1
2028 Notes	4.95%	March 28, 2028	800.0	792.3
2029 Notes	5.40%	June 12, 2029	300.0	302.1
2032 Notes	4.00%	April 14, 2032	500.0	455.4
2034 Notes	5.60%	June 12, 2034	300.0	300.2
2026 Convertible Notes	0.00%	December 15, 2026	25.9	25.9
<b>Total</b>			<b>\$ 3,075.9</b>	<b>\$ 2,999.3</b>
Unamortized discount and issuance costs			(21.5)	
<b>Long-term debt, net</b>			<b>\$ 3,054.4</b>	

	Annual Interest Rate	Maturity Date	September 30, 2024	Fair Value (Level 2)
2026 Notes	5.00%	March 28, 2026	\$ 550.0	\$ 555.6
2027 Notes	3.70%	April 14, 2027	600.0	592.6
2028 Notes	4.95%	March 28, 2028	800.0	816.5
2029 Notes	5.40%	June 12, 2029	300.0	312.4
2032 Notes	4.00%	April 14, 2032	500.0	480.0
2034 Notes	5.60%	June 12, 2034	300.0	316.1
2026 Convertible Notes	0.00%	December 15, 2026	26.0	26.0
<b>Total</b>			<b>\$ 3,076.0</b>	<b>\$ 3,099.2</b>
Unamortized discount and issuance costs			(20.1)	
<b>Long-term debt, net</b>			<b>\$ 3,055.9</b>	

	Annual Interest Rate	Maturity Date	March 31, 2024	Fair Value (Level 2)
2025 Notes	3.55%	April 14, 2025	\$ 600.0	\$ 588.9
2026 Notes	5.00%	March 28, 2026	550.0	547.6
2027 Notes	3.70%	April 14, 2027	600.0	576.5

2028 Notes	4.95%	March 28, 2028	800.0	797.8
2032 Notes	4.00%	April 14, 2032	500.0	462.9
2026 Convertible Notes	0.00%	December 15, 2026	25.9	25.9
<b>Total</b>			<b>\$ 3,075.9</b>	<b>\$ 2,999.6</b>
Unamortized discount and issuance costs			<b>(17.6)</b>	
<b>Long-term debt, net</b>			<b>\$ 3,058.3</b>	

The components of Short-term debt, net on our Condensed Consolidated Balance Sheet were as follows:

	Annual Interest Rate	Maturity Date	June 30, 2024	Fair Value (Level 2)	Annual Interest Rate	Maturity Date	September 30, 2024	Fair Value (Level 2)
2025 Notes								
<b>Total</b>								
Unamortized discount and issuance costs								
Short-term debt, net								
Short-term debt, net								
Short-term debt, net								
	Annual Interest Rate		Maturity Date		March 31, 2024		Fair Value (Level 2)	
2024 Convertible Notes	0.25%		June 1, 2024	\$ 24.6	\$ 24.6		\$ 24.6	
<b>Total</b>				\$ 24.6	\$ 24.6		\$ 24.6	
Unamortized discount and issuance costs					—			
<b>Short-term debt, net</b>				<b>\$ 24.6</b>				

The interest expense as it relates to our debt is recorded within Interest and other, net in our Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2024, September 30, 2024 and 2023, respectively, and was as follows:

	Three Months Ended June 30,
	Three Months Ended June 30,
	Three Months Ended June 30,
	Three Months Ended September 30,
	Three Months Ended September 30,
	Three Months Ended September 30,
2024 Notes	2024
2024 Notes	2024
2024 Notes	2024
2025 Notes	
2025 Notes	
2025 Notes	
2026 Notes	
2026 Notes	
2026 Notes	
2027 Notes	
2027 Notes	
2027 Notes	
2028 Notes	
2028 Notes	
2028 Notes	

2029 Notes
2029 Notes
2029 Notes
2032 Notes
2032 Notes
2032 Notes
2034 Notes
2034 Notes
2034 Notes
Term Loan
Term Loan
Term Loan
<b>Total</b>
<b>Total</b>
<b>Total</b>

The following table outlines the aggregate amount of maturities of our borrowings, as of **June 30, 2024** **September 30, 2024**:

<b>Fiscal Year Ending March 31,</b>	<b>Fiscal Year Ending March 31,</b>	<b>Maturities</b>	<b>Fiscal Year Ending March 31,</b>	<b>Maturities</b>
2025 (remaining)				
2026				
2027				
2028				
2029				
Thereafter				
<b>Total</b>				
Fair value adjustments				
Total face value				

#### **Senior Notes**

On June 12, 2024, we completed our offering and sale of \$600.0 aggregate principal amount of our senior notes, consisting of \$300.0 principal amount of our 5.400% Senior Notes due 2029 (the "2029 Notes") and \$300.0 principal amount of our 5.600% Senior Notes due 2034 (the "2034 Notes"). The 2029 Notes and 2034 Notes (the "New Notes") were issued as additional notes under the existing Indenture. Debt issuance costs of \$5.4 and original issuance discount of \$1.1 were incurred in connection with the 2029 and 2034 Senior Notes. These debt issuance costs and original issuance discount are included as a reduction of the debt within Long-term debt, net on our Condensed Consolidated Balance Sheet and will be amortized into Interest and other, net in our Condensed Consolidated Statements of Operations over the contractual term of the Senior Notes.

On April 14, 2023, we completed our offering and sale of \$1,000.0 aggregate principal amount of our senior notes, consisting of \$500.0 principal amount of our 5.000% Senior Notes due 2026 (the "2026 Notes") and \$500.0 principal amount of our 4.950% Senior Notes due 2028 (the "2028 Notes"). On January 8, 2024, we completed our add-on offering and sale of \$350.0 aggregate principal amount of our senior notes, consisting of \$50.0 principal amount of additional 2026 Notes and \$300.0 principal amount of additional 2028 Notes (the "Add-On Offering Notes").

On April 14, 2022, we completed our offering and sale of \$2,700.0 aggregate principal amount of our senior notes, consisting of \$1,000.0 principal amount of our 3.300% Senior Notes due 2024 (the "2024 Notes"), \$600.0 principal amount of our 3.550% Senior Notes due 2025 (the "2025 Notes"), \$600.0 principal amount of our 3.700% Senior Notes due 2027 (the "2027 Notes"), and \$500.0 principal amount of our 4.000% Senior Notes due 2032 (the "2032 Notes" and together with the 2024 Notes, 2025 Notes, 2026 Notes, 2027 Notes, 2028 Notes, 2029 Notes, and 2034 Notes, the "Senior Notes").

The Senior Notes were issued under an indenture, dated as of April 14, 2022 (the "Base Indenture"), between the Company and The Bank of New York Mellon, as trustee (the "Trustee") and (i) a first supplemental indenture, with respect to the 2024 Notes, (ii) a second supplemental indenture, with respect to the 2025 Notes, (iii) a third supplemental indenture, with respect to the 2027 Notes, (iv) a fourth supplemental indenture, with respect to the 2032 Notes, (v) a fifth supplemental indenture, with respect to the 2026 Notes, (vi) a sixth supplemental indenture, with respect to the 2028 Notes, (vii) a seventh supplemental indenture, with respect to the 2029 Notes, and (viii) an eighth supplemental indenture, with respect to the 2034 Notes (collectively, the "Supplemental Indentures" and together with the Base Indenture, the "Indenture"), between the Company and the Trustee.

The Senior Notes are the Company's senior unsecured obligations and rank equally with all of our other existing and future unsubordinated obligations. We will pay interest on the 2026 Notes and 2028 Notes semi-annually on March 28 and September 28 of each year, commencing September 28, 2023. We will pay interest on each of the 2025 Notes, 2027 Notes, and 2032 Notes semi-annually on April 14 and October 14 of each year, commencing October 14, 2022. We will pay interest on each of the 2029 Notes and 2034 Notes semi-annually on June 12 and December 12 of each year, commencing on December 12, 2024. During the **three** **six** months ended **June 30, 2024** **September 30, 2024**, we

made interest payments of **\$31.8**, **\$65.3**. The proceeds from the issuances of the Senior Notes in April 2022 were used to finance a portion of our acquisition of Zynga, and the proceeds from the subsequent issuance of Senior Notes were used, or are expected to be used, to repay certain of our debt or for general corporate purposes.

The Senior Notes are not entitled to any sinking fund payments. We may redeem each series of the Senior Notes at any time in whole or from time to time in part at the applicable redemption prices set forth in each Supplemental Indenture. Upon the occurrence of a Change of Control Repurchase Event (as defined in each of the Supplemental Indentures) with respect to a series of the Senior Notes, each holder of the Senior Notes of such series will have the right to require the Company to purchase that holder's Notes of such series at a price equal to 101% of the aggregate principal amount thereof, plus accrued and unpaid interest to, but excluding, the date of repurchase, unless the Company has exercised its option to redeem all the Senior Notes.

In the case of an event of default arising from certain events of bankruptcy or insolvency with respect to the Company, all outstanding Senior Notes will become due and payable immediately. If any other event of default specified in the Indenture occurs and is continuing with respect to any series of the Senior Notes, the Trustee or the holders of at least 25% in aggregate principal amount of that series of the outstanding Notes may declare the principal of such series of Senior Notes immediately due and payable.

The Indenture contains certain limitations on the ability of the Company and its subsidiaries to grant liens without equally securing the Senior Notes, or to enter into certain sale and lease-back transactions. These covenants are subject to a number of important exceptions and limitations, as further provided in the Indenture.

During the three months ended **June 30, 2024** **September 30, 2024** and 2023, we recognized **\$1.4** **\$1.6** and **\$1.8**, respectively, of amortization of debt issuance costs and **\$0.2** and **\$0.1**, respectively, of amortization of the original issuance discount. During the six months ended **September 30, 2024** and **\$0.2**, 2023, we recognized **\$3.0** and **\$3.6**, respectively, of amortization of debt issuance costs and **\$0.3** and **\$0.3**, respectively, of amortization of the original issuance discount.

On June 5, 2023, pursuant to a tender offer, we purchased and retired \$650.0 in aggregate principal amount of our 2024 Notes, with proceeds received from the 2026 Notes and 2028 Notes. We repaid the remaining principal amount of \$350.0 on its maturity date on March 28, 2024, with proceeds received from the Add-On Offering Notes. During the three and six months ended **June 30, 2023**, **September 30, 2023** we recognized a debt extinguishment gain of approximately **\$7.0**, **\$0.7** and **\$7.7**, respectively, net of unamortized debt discount and debt issuance costs recorded within Interest and other, net in our Condensed Consolidated Statement of Operations.

#### **Credit Agreement**

On May 23, 2022, we entered into a new unsecured credit agreement (as amended, the "2022 Credit Agreement"), which replaced in its entirety the Company's prior credit agreement, dated as of February 8, 2019, which was paid off in full and terminated. The 2022 Credit Agreement provided for an unsecured five-year revolving credit facility with commitments of \$500.0, including sublimits for (i) the issuance of letters of credit in an aggregate face amount of up to \$100.0 and (ii) borrowings and letters of credit denominated in Pounds Sterling, Euros, and Canadian Dollars in an aggregate principal amount of up to \$100.0. In addition, the 2022 Credit Agreement contained uncommitted incremental capacity permitting the incurrence of up to an additional amount not to exceed the greater of \$250.0 and 35.0% of the Company's Consolidated Adjusted EBITDA (as defined in the 2022 Credit Agreement). On May 16, 2024, we increased the total commitments under the facility to \$750.0 pursuant to the 2022 Credit Agreement's incremental provisions, leaving no further uncommitted incremental capacity.

Loans under the 2022 Credit Agreement will bear interest at a rate of (a) 0.000% to 0.625% above an alternate base rate **(8.50% (8.00% at June 30, 2024 September 30, 2024))** or (b) 1.000% to 1.625% above Secured Overnight Financing Rate ("SOFR"), approximately **5.33% 4.84%** at **June 30, 2024 September 30, 2024**, which rates are determined by the Company's credit rating.

The 2022 Credit Agreement also includes, among other terms and conditions, a maximum leverage ratio covenant, as well as customary affirmative and negative covenants, including covenants that limit or restrict the Company and its subsidiaries' ability to, among other things, incur subsidiary indebtedness, grant liens, and dispose of all or substantially all assets, in each case subject to certain exceptions and baskets. In addition, the 2022 Credit Agreement provides for events of default customary for a credit facility of this size and type, including, among others, non-payment of principal and interest when due thereunder, breaches of representations and warranties, noncompliance with covenants, acts of insolvency, cross-defaults to material indebtedness, and material judgment defaults (subject to certain limitations and cure periods). On June 6, 2024, we amended the 2022 Credit Agreement in order to increase the maximum leverage ratio thresholds applicable to our financial covenant, which is measured on a quarterly basis.

Upon execution of the 2022 Credit Agreement, we incurred \$3.5 of debt issuance costs that were capitalized within Other assets on our Condensed Consolidated Balance Sheet and will be amortized on a straight-line basis over the five-year term of the 2022 Credit Agreement, with the expense recorded within Interest and other, net in our Condensed Consolidated Statements of Operations. During the three months ended **June 30, 2024**, **September 30, 2024** and 2023, we amortized **\$0.2** **\$0.1** and **\$0.2**, **\$0.1**, respectively, and during the six months ended **September 30, 2024** and 2023, we amortized **\$0.3** and **\$0.3**, respectively, of these debt issuance costs.

As of **June 30, 2024** **September 30, 2024**, there were no borrowings under the 2022 Credit Agreement, and we had approximately **\$747.8** **\$747.7** available for additional borrowings.

Information related to availability on our 2022 Credit Agreement for each period was as follows:

	<b>June 30, 2024</b>	<b>March 31, 2024</b>
	<b>September 30, 2024</b>	<b>March 31, 2024</b>
Available borrowings		
Outstanding letters of credit		

#### **Term Loan**

On June 22, 2022, we entered into an unsecured 364-Day Term Loan Credit Agreement ("Term Loan"). The Term Loan provided for an unsecured 364-day term loan credit facility in the aggregate principal amount of \$350.0, maturing on June 21, 2023. We fully drew down on the Term Loan on June 22, 2022 at approximately 3.60%. The proceeds were used to finance a portion of the repurchase of the Convertible Notes (see below). A portion of the proceeds from the April 14, 2023 issuance of the 2026 Notes and 2028 Notes were used to fully repay the Term Loan on April 27, 2023.

#### **Convertible Notes**

In conjunction with the acquisition of Zynga on May 23, 2022, we entered into (a) the First Supplemental Indenture (the "2024 Supplemental Indenture") to the Indenture, dated as of June 14, 2019 (the "2024 Indenture"), between Zynga and Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association) (the "Convertible Notes Trustee"), relating to Zynga's 0.25% Convertible Senior Notes due 2024 (the "2024 Convertible Notes"), and (b) the First Supplemental Indenture (the "2026 Supplemental Indenture" and, together with the 2024 Supplemental Indenture, the "Supplemental Indentures") to the Indenture, dated as of December 17, 2020 (the "2026 Indenture" and, together with the 2024 Indenture, the "Indentures"), between Zynga and the Convertible Notes Trustee, relating to Zynga's 0.00% Convertible Senior Notes due 2026 (the "2026 Convertible Notes" and, together with the 2024 Convertible Notes, the "Convertible Notes"). As of the closing date of the acquisition, approximately \$690.0 aggregate principal amount of the 2024 Convertible Notes was outstanding and approximately \$874.5 aggregate principal amount of the 2026 Convertible Notes was outstanding.

Following the acquisition and according to the Supplemental Indentures, we assumed all of Zynga's rights and obligations under the Indentures, and the Company guaranteed the payment and other obligations of Zynga under the Convertible Notes. As a result of our acquisition of Zynga, the right to convert each one thousand dollar principal amount of such Convertible Notes into shares of Zynga common stock was changed into a right to convert such principal amount of such Convertible Notes into the number of units of Reference Property equal to the conversion rate in effect immediately prior to the closing, in each case pursuant to the terms and procedures set forth in the applicable Indenture. A unit of Reference Property is defined in each Indenture as 0.0406 shares of Take-Two common stock and \$3.50 in cash, without interest, plus cash in lieu of any fractional shares of Take-Two common stock.

The acquisition of Zynga constituted a Fundamental Change, a Make-Whole Fundamental Change, and a Share Exchange Event (each as defined in the Indentures) under the Indentures. The effective date of the Fundamental Change, Make-Whole Fundamental Change and Share Exchange Event in respect of the Convertible Notes was May 23, 2022, and the related tender and conversion periods expired on June 22, 2022. As a result, each holder of Convertible Notes had the right to tender its Convertible Notes to the Company for cash or surrender its Convertible Notes for conversion into the Reference Property at the applicable conversion rate, in each case pursuant to the terms and procedures set forth in the applicable Indenture.

As of the expiration of the Fundamental Change, Make-Whole Fundamental Change, and Share Exchange Event, (a) \$0.3 aggregate principal amount of the 2024 Convertible Notes and (b) \$845.1 aggregate principal amount of the 2026 Convertible Notes were tendered for cash. In addition, (a) \$668.3 aggregate principal amount of the 2024 Convertible Notes, and (b) no 2026 Convertible Notes were surrendered for conversion into the applicable Reference Property. In total, we paid \$321.6 for the tendered or converted 2024 Convertible Notes, including interest, and \$845.1 for the tendered 2026 Convertible Notes in cash, and we issued 3.7 shares of our common stock upon the conversion of the 2024 Convertible Notes. After settlement of all Convertible Notes tendered or surrendered for conversion, \$21.4 aggregate principal amount of the 2024 Convertible Notes remained outstanding and \$29.4 aggregate principal amount of the 2026 Convertible Notes remained outstanding.

The 2024 Convertible Notes and 2026 Convertible Notes constitute senior unsecured indebtedness of Zynga, ranking pari passu with all of our other existing and future senior unsecured unsubordinated obligations of Zynga. As a result, the 2024 Convertible Notes and 2026 Convertible Notes are structurally senior to the indebtedness of the Company as to Zynga, its subsidiaries, and their respective assets. As noted above, the Company also guaranteed the payment and other obligations of Zynga under the Convertible Notes. The Company's guarantees of the 2024 Convertible Notes and 2026 Convertible Notes are the Company's senior unsecured obligations and rank equally with all of the Company's other existing and future senior unsecured unsubordinated obligations.

Under the terms of the applicable Indentures, prior to the close of business on the business day immediately preceding September 15, 2026 with respect to the 2026 Convertible Notes, the Convertible Notes will be convertible only under the following circumstances:

- during any calendar quarter, if the value of a unit of Reference Property (based on the last reported sales price of our common stock), for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price of the applicable series of the 2026 Convertible Notes, on each applicable trading day;
- during the five business-day period after any five consecutive trading-day period in which the trading price per one thousand dollar principal amount of each applicable series of the 2026 Convertible Notes for such trading day was less than 98% of the product of the value of a unit of Reference Property (based on the last reported sale price of our common stock) and the conversion rate of the applicable series of the 2026 Convertible Notes, on each such trading day;
- if we call the 2026 Convertible Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the respective redemption date; or
- upon the occurrence of specified corporate events described in the respective Indentures.

Upon any conversion, holders will receive either cash or a combination of cash and shares of Take-Two common stock, at our election. As of **June 30, 2024** **September 30, 2024**, the conditions allowing holders of the 2026 Convertible Notes to convert their series of the Convertible Notes have not been met, and, therefore, they are not yet convertible.

We have elected to account for these Convertible Notes, which are considered derivatives, using the fair value option (Level 2) under ASC 825, as the Convertible Notes were initially recognized at fair value under the acquisition method of accounting in connection with the Zynga Acquisition and we do not expect significant fluctuations in fair value

through maturity. We initially recorded \$778.6 as the acquisition date fair value for the 2024 Convertible Notes and \$874.5 for the 2026 Convertible Notes. The fair value was determined as the expected cash payment and value of shares to be issued to settle the Convertible Notes.

The 2024 Convertible Notes matured on June 1, 2024. During the ~~three~~ six months ended ~~June 30, 2024~~ September 30, 2024, we paid \$8.3 for converted 2024 Convertible Notes, including interest, and we issued 0.1 shares of our common stock upon conversion of the 2024 Convertible Notes.

The 2026 Convertible Notes mature on December 15, 2026, unless earlier converted, redeemed, or repurchased in accordance with their terms, prior to the maturity date. The 2026 Convertible Notes do not bear regular interest, and the principal amount does not accrue. An aggregate principal amount of \$29.4 of the 2026 Convertible Notes remained outstanding at ~~June 30, 2024~~ September 30, 2024. We recorded ~~\$25.9~~ \$26.0 as the fair value of the remaining outstanding 2026 Convertible Notes, within Long-term debt, net, in our Condensed Consolidated Balance Sheet as of ~~June 30, 2024~~ September 30, 2024. During the three months ended ~~June 30, 2024~~ September 30, 2024 and 2023, we ~~recognized a loss of \$0.1 and a loss of \$1.7, respectively, and during the six months ended September 30, 2024 and 2023, we recognized a gain of \$0.4~~ \$0.3 and a loss of ~~\$1.5~~ \$3.2, respectively, within (Loss) gain Loss on fair value adjustments, net in our Condensed Consolidated Statements of Operations.

## 10. LOSS PER SHARE

The following table sets forth the computation of basic and diluted loss per share:

		Three Months Ended September 30, 2024		Six Months Ended September 30, 2024	
<b>Computation of Basic and diluted loss per share:</b>	<b>Computation of Basic and diluted loss per share:</b>				
<b>Computation of Basic and diluted loss per share:</b>					
<b>Computation of Basic and diluted loss per share:</b>					
Net loss					
Net loss					
Weighted average shares outstanding—basic					
Weighted average shares outstanding—basic					
Weighted average shares outstanding—basic					
Basic and diluted loss per share					
Basic and diluted loss per share					
Basic and diluted loss per share					

We incurred a net loss for the three and six months ended ~~June 30, 2024~~ September 30, 2024 and 2023; therefore, the diluted weighted average shares outstanding excludes the effect of unvested common stock equivalents because their effect would be antidilutive. For the three months ended ~~June 30, 2024~~ September 30, 2024, we had ~~2.21.6~~ potentially dilutive shares from share-based awards and 0.1 of shares from Convertible Notes that are excluded due to the net loss for the period. For the six months ended September 30, 2024, we had ~~2.0~~ potentially dilutive shares from share-based awards and 0.1 of shares from Convertible Notes that are excluded due to the net loss for the period.

During the ~~three~~ six months ended ~~June 30, 2024~~ September 30, 2024, ~~1.21.6~~ restricted stock awards vested, we granted ~~1.9~~ 2.0 unvested restricted stock awards, and ~~0.2~~ 0.4 unvested restricted stock awards were forfeited.

## 11. COMMITMENTS AND CONTINGENCIES

We have entered into various agreements in the ordinary course of business that require substantial cash commitments over the next several years. Other than agreements entered into in the ordinary course of business and in addition to the agreements requiring known cash commitments as reported in [Note 14](#) to the Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended March 31, 2024, we did not have any significant changes to our commitments since March 31, 2024.

### Legal and Other Proceedings

We are, or may become, subject to demands and claims (including intellectual property and employment related claims) and are involved in routine litigation in the ordinary course of business which we do not believe to be material to our business or financial condition or results of operations. We have appropriately accrued amounts related to certain of these claims and legal and other proceedings. While it is reasonably possible that a loss may be incurred in excess of the amounts accrued in our financial statements, we believe that such losses, unless otherwise disclosed, would not be material.

On May 2, 2022, IBM filed suit against Zynga, our wholly-owned subsidiary, in the United States District Court for the District of Delaware. The suit alleged, in relevant part, that Zynga infringed its U.S. Patent Nos. 7,072,849 and 7,702,719. Starting on September 9, 2024, the case was tried before a jury, which, on September 13, 2024, returned a verdict finding that certain of Zynga's games infringed each of the patents and awarding damages to IBM in the amount of \$44.9. The patents at issue have expired and Zynga will not have to modify or stop operating any of the games at issue. Zynga believes this result is not supported by the facts and the law and intends to seek to overturn the verdict and reduce or eliminate the damages award through post-trial motions and appeal.

## 12. INCOME TAXES

The provision for income taxes for the three months ended **June 30, 2024** **September 30, 2024** is based on our projected annual effective tax rate for fiscal year 2025, adjusted for specific items that are required to be recognized in the period in which they are incurred. The provision for income taxes was **\$49.8** **\$41.2** for the three months ended **June 30, 2024** **September 30, 2024**, as compared to the benefit from income taxes of **\$22.9** **\$33.4** for the prior year period.

When compared to the statutory rate of 21%, the effective tax rate of (12.7)% for the three months ended September 30, 2024 was due primarily to tax expense of \$104.9 related to an increase in valuation allowance, tax expense of \$9.9 related to geographic mix of earnings offset by benefits of \$17.2 from tax credits.

The provision for income taxes for the six months ended September 30, 2024 is based on our projected annual effective tax rate for fiscal year 2025, adjusted for specific items that are required to be recognized in the period in which they are incurred. The provision for income taxes was \$91.0 for the six months ended September 30, 2024, as compared to the benefit from income taxes of \$56.3 for the prior year period.

When compared to the statutory rate of 21%, the effective tax rate of (23.5) (17.0)% for the **three** **six** months ended **June 30, 2024** **September 30, 2024** was due primarily to tax expense of **\$96.8** **\$201.8** related to an increase in valuation allowance, tax expense of **\$8.2** **\$18.1** related to geographic mix of earnings offset by benefits of **\$17.7** **\$35.0** from tax credits.

The Inflation Reduction Act of 2022 (the "Inflation Reduction Act") includes a new corporate alternative minimum tax (CAMT) of 15% on the adjusted financial statement income (AFSI) of corporations with an average AFSI exceeding \$1.0 billion over a consecutive three-year period. The CAMT is effective for taxable year ending March 31, 2024. It is possible that the CAMT could result in an additional tax liability over the regular federal corporate tax liability in a particular year based on differences between book and taxable income. We estimate no tax liability relating to CAMT for the current fiscal year. We will continue to evaluate the potential impact the Inflation Reduction Act may have on our operations and Consolidated Financial Statements in future periods.

The Organization for Economic Co-operation and Development ("OECD") has proposed a global minimum tax of 15% of reported profits, referred to as Pillar Two. Many countries have already implemented or are taking steps to implement Pillar Two. Although the model rules provide a framework for applying the minimum tax, countries may enact Pillar Two slightly differently than the model rules and on different timelines. Many aspects of Pillar Two are effective for the fiscal year ending March 31, 2025. Pillar Two could result in additional tax liability over the regular corporate tax liability in a particular jurisdiction to the extent tax expense is less than 15% minimum rate. The impact of Pillar Two was not material to the tax provision for the three and six months ended **June 30, 2024** **September 30, 2024**. We will continue to evaluate the impact Pillar Two may have on our operations.

We are regularly examined by domestic and foreign taxing authorities. Examinations may result in tax assessments in excess of amounts claimed and the payment of additional taxes. We believe our tax positions comply with applicable tax law, and that we have adequately provided for reasonably foreseeable tax assessments. It is possible that settlement of audits or the expiration of the statute of limitations may have an impact on our effective tax rate in future periods.

## 13. ACQUISITIONS

On June 11, 2024, we completed the purchase of 100% of the issued and outstanding capital stock of The Gearbox Entertainment Company, Inc. ("Gearbox"), from Embracer Group AB, for an initial consideration of 2.8 shares of our common stock.

We acquired Gearbox, a leading developer of console and PC games, as part of our ongoing strategy to strengthen our industry-leading creative talent and portfolio of owned intellectual property. The combination enhances the financial profile of our existing projects with Gearbox and unlocks the opportunities to drive increased long-term growth.

The acquisition-date fair value of the consideration totaled **\$440.7** **435.0**, which consisted of the following:

	Fair value of purchase consideration
Common stock (2.8 shares)	\$ <b>454.3</b> <b>448.6</b>
Deferred payment	1.0
Settlement of pre-existing relationship	(14.6)
<b>Total</b>	<b>\$ <b>440.7</b> <b>435.0</b></b>

We used the acquisition method of accounting and recognized assets and liabilities at their fair value as of the date of acquisition, with the excess recorded to goodwill. As we finalize our estimation of the fair value of the assets acquired and liabilities assumed, additional adjustments may be recorded during the measurement period (a period not to exceed 12 months from the acquisition date). The **initial accounting is incomplete as of June 30, 2024** for the acquired assets and assumed liabilities. **Additional intangible assets may be recognized as the valuation is complete.** The following table summarizes the preliminary acquisition date fair value of net tangible and intangible assets acquired, net of liabilities assumed from Gearbox:

Fair Value	Fair Value	Weighted average useful life	Fair Value	Weighted average useful life

Cash acquired	Cash acquired	\$ 9.6	N/A	N/A	Cash acquired	\$ 9.5	N/A	N/A
Other tangible assets	Other tangible assets	152.4	N/A	N/A	Other tangible assets	158.8	N/A	N/A
Other liabilities assumed	Other liabilities assumed	(129.6)	N/A	N/A	Other liabilities assumed	(141.7)	N/A	N/A
Intangible Assets								
Developed game technology								
Developed game technology								
Intangible assets								
Intellectual property								
Intellectual property								
Intellectual property		79.0	14					
Developed game technology		84.1	4	4	Developed game technology	68.0	2	2
Games in development	Games in development	34.9	N/A	N/A	Games in development	36.0	N/A	N/A
Game engine technology		9.0	2					
Branding and trade names	Branding and trade names	4.1	5	5	Branding and trade names	8.0	7	7
Goodwill	Goodwill	285.2	N/A	N/A	Goodwill	208.4	N/A	N/A
Total								

Goodwill, which is not deductible for tax purposes, is primarily attributable to the assembled workforce of the acquired business and expected synergies at the time of the acquisition.

The amounts of revenue and earnings of Gearbox included in our Condensed Consolidated Statements of Operations from the acquisition date are as follows:

	Three Months Ended June 30, 2024
Net revenue	\$ 1.6
Net loss	(4.5)

	Three Months Ended September 30, 2024	Six Months Ended September 30, 2024
Net revenue	\$ 10.3	\$ 11.9
Net loss	(20.8)	(25.3)

Supplemental pro-forma financial information has not been provided as the historical results of Gearbox were not material to us.

Transaction costs of \$6.0 \$0.6 and \$5.1 for the three and six months ended June 30, 2024 September 30, 2024, respectively, have been recorded within General and administrative expense in our Condensed Consolidated Statements of Operation.

#### 14. GOODWILL AND INTANGIBLE ASSETS, NET

##### Goodwill

The change in our goodwill balance is as follows:

	Total
Balance Gross balance at March 31, 2024	\$ 4,426.4
Accumulated impairment at March 31, 2024	(2,342.1)
Net balance at March 31, 2024	4,426.4
Gearbox Acquisition	285.2
Currency translation adjustment	13.9
Balance at June 30, 2024 September 30, 2024	\$ 4,706.8

**Intangibles** During the three and six months ended September 30, 2023, we recognized a goodwill impairment charge of \$165.4, representing a partial impairment related to one of our reporting units. We identified various qualitative factors that, collectively, indicated that the fair value of one of our reporting units was more likely than not less than its carrying amount, including a reduction in the forecasted performance of the reporting unit due to industry conditions and changes in our strategies for games within the reporting unit in response to those conditions. As a result of this qualitative analysis, we performed a valuation of the reporting unit using discounted cash flow and guideline public company methodologies. Key assumptions and estimates used in deriving the fair value are forecasted revenue, EBITDA margins, long-term decay rate, and discount rate.

#### Indefinite-lived intangibles

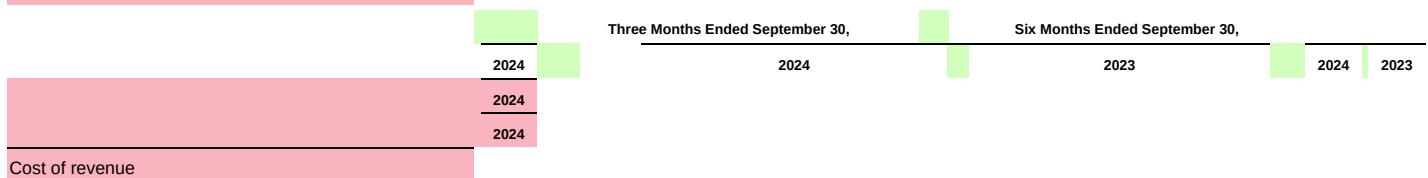
Other intangibles, net, as of September 30, 2024, included in-process research and development ("IPR&D") assets of \$36.0 acquired as part of the Gearbox acquisition (refer to [Note 13 - Acquisitions](#)), which are indefinite-lived intangibles and therefore not subject to amortization until the related games are released or development is abandoned.

#### Definite-lived intangibles

The following table sets forth the intangible assets that are subject to amortization:

		Gross		Carrying		Amount				Gross		Carrying		Amount				Gross		Carrying	
		Gross		Carrying		Amount				Gross		Carrying		Amount				Gross		Carrying	
		Carrying		Amount		Accumulated		Amortization		Book		Value		Carrying		Amount		Accumulated		Amortization	
Developed Game Technology	Developed Game Technology	\$3,792.8	\$			\$	(1,444.2)	\$		\$2,348.6	\$		\$3,788.8	\$		\$	\$1,301.4	\$		\$2,487.4	
Branding and Trade Names	Branding and Trade Names	399.1	(77.3)				(77.3)	321.8		321.8	395.1		395.1		(68.5)		(68.5)		326.6		
Game Engine Technology	Game Engine Technology	321.8	(165.4)				(165.4)	156.4		156.4	322.5		322.5		(147.3)		(147.3)		175.2		
User Base		319.2					(319.2)			—			319.2				(319.2)			—	
Intellectual Property																					
Intellectual Property																					
Intellectual Property	Intellectual Property	146.4	(25.5)				(25.5)	120.9		120.9	27.5		27.5		(23.1)		(23.1)		4.4		
Developer Relationships	Developer Relationships	57.0	(30.0)				(30.0)	27.0		27.0	57.0		57.0		(26.5)		(26.5)		30.5		
Advertising Technology	Advertising Technology	43.0	(30.2)				(30.2)	12.8		12.8	43.0		43.0		(26.6)		(26.6)		16.4		
Customer relationships		31.0					(13.1)			17.9			31.0				(11.5)			19.5	
Analytics Technology		29.7					(29.7)			—			30.1				(30.1)			—	
Customer Relationships		31.0					(14.6)			16.4			31.0				(11.5)			19.5	
In Place Lease																					
In Place Lease																					
In Place Lease	In Place Lease	2.0	(1.5)				(1.5)	0.5		0.5	2.0		2.0		(1.4)		(1.4)		0.6		
Total intangible assets																					

Amortization of intangible assets is included in our Condensed Consolidated Statements of Operations as follows:



Cost of revenue
Cost of revenue
Selling and marketing
Selling and marketing
Selling and marketing
Research and development
Research and development
Research and development
Depreciation and amortization
Depreciation and amortization
Depreciation and amortization
Total amortization of intangible assets
Total amortization of intangible assets
Total amortization of intangible assets

During the three and six months ended September 30, 2023, we recorded impairment charges of \$219.7 for acquisition-related Developed Game Technology intangible assets within Cost of revenue as a result of a reduction in the forecasted performance of certain games due to industry conditions and changes in our strategies for certain games in response to those conditions. The fair value of those intangible assets was measured using the multi-period excess earnings method, consistent with the approach used at acquisition. Key assumptions and estimates used in deriving the fair value are forecasted revenue, EBITDA margins, long-term decay rate, and discount rate.

Estimated future amortization of intangible assets that will be recorded in Cost of revenue and operating expenses are as follows:

Fiscal Year Ended March 31,	Fiscal Year Ended March 31,	Amortization	Fiscal Year Ended March 31,	Amortization
2025 (remaining)				
2026				
2027				
2028				
2029				

## 15. BUSINESS REORGANIZATION

We have implemented a cost reduction program to identify efficiencies across our business (the "2024 Plan"), which includes eliminating several projects in development and streamlining our organizational structure. The 2024 Plan is expected to be largely completed by December 31, 2024. We estimate that we will incur approximately \$160.0 to \$200.0 in total charges in connection with the 2024 Plan, which consists of approximately \$120.0 to \$140.0 related to title cancellations, \$25.0

to \$35.0 associated with employee severance and employee-related costs, and approximately \$15.0 to \$25.0 related to office space reductions. During the fiscal year ended March 31, 2024, we incurred business reorganization expenses of \$93.3 in connection with the 2024 Plan, of which \$88.2 related to title cancellations, \$3.2 was for employee-related costs, and the remaining \$1.9 consisted of professional fees.

We incurred business reorganization expenses of \$49.5 \$16.8 and \$7.2 \$3.4 during the three months ended June 30, 2024, September 30, 2024 and 2023, respectively, and \$66.3 and \$10.6 during the six months ended September 30, 2024 and 2023, respectively.

In connection with the 2024 Plan, during we incurred the three months ended June 30, 2024, \$23.8 was for employee-related costs, \$23.3 related to title cancellations (refer following expenses:

	Three Months Ended September 30,		Six Months Ended September 30,	
	2024	2024	2024	2024
Title cancellations (1)	\$ 10.3	\$ 33.6		
Employee-related costs	5.9	29.7		
Impairment loss of ROU asset (office closures)	0.6	2.4		
Professional fees	—	0.6		
<b>Total business reorganization expenses</b>	<b>\$ 16.8</b>	<b>\$ 66.3</b>		

(1)Refer to Note 7 - Software Development Costs and Licenses, \$1.8 related to impairment loss for a right-of-use asset due to office closures, and \$0.6 consisted of professional fees.

During the three and six months ended June 30, 2024, September 30, 2024 we paid \$34.1 \$7.7 and \$41.9, respectively, related to these reorganization activities and \$8.1 \$9.3 remained accrued for in Accrued expenses and other current liabilities.

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

### CAUTIONARY NOTE ABOUT FORWARD-LOOKING STATEMENTS

The statements contained herein, which are not historical facts, including statements relating to Take-Two Interactive Software, Inc.'s ("Take-Two," the "Company," "we," "us," or similar pronouns) outlook, are considered forward-looking statements under federal securities laws and may be identified by words such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "potential," "predicts," "projects," "seeks," "should," "will," or words of similar meaning and include, but are not limited to, statements regarding the outlook for our future business and financial performance. Such forward-looking statements are based on the current beliefs of our management as well as assumptions made by and information currently available to them, which are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. Actual outcomes and results may vary materially from these forward-looking statements based on a variety of risks and uncertainties including risks relating to our combination with Zynga Inc. (the "Zynga Acquisition"); the risks of conducting business internationally, including as a result of unforeseen geopolitical events; the impact of changes in interest rates by the Federal Reserve and other central banks, including on our short-term investment portfolio; the impact of inflation; volatility in foreign currency exchange rates; our dependence on key management and product development personnel; our dependence on our NBA 2K and Grand Theft Auto products and our ability to develop other hit titles; our ability to leverage opportunities on PlayStation®5 and Xbox Series X|S; factors affecting our mobile business, such as player acquisition costs; the timely release and significant market acceptance of our games; the ability to maintain acceptable pricing levels on our games; and other risks included herein; as well as, but not limited to, the risks and uncertainties discussed under the heading "[Risk Factors](#)" included in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended March 31, 2024; and our other periodic filings with the Securities and Exchange Commission. All forward-looking statements are qualified by these cautionary statements and speak only as of the date they are made. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Our Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is provided in addition to the accompanying Condensed Consolidated Financial Statements and notes to assist readers in understanding our results of operations, financial condition, and cash flows. The following discussion should be read in conjunction with the MD&A and our annual Consolidated Financial Statements and the notes thereto included in our Annual Report on Form 10-K for the fiscal year ended March 31, 2024. All figures are in millions, except per share amounts or as otherwise noted.

### Overview

#### Our Business

We are a leading developer, publisher, and marketer of interactive entertainment for consumers around the globe. We develop, operate, and publish products principally through Rockstar Games, 2K, **Private Division**, and Zynga. Our products are currently designed for console gaming systems, PC, and mobile, including smartphones and tablets. We deliver our products through physical retail, digital download, online platforms, and cloud streaming services.

Our strategy is to be the most creative, innovative, and efficient company in the evolving interactive entertainment industry. With our diverse portfolio that spans all key platforms and numerous genres, we strive to create the highest quality, most engaging interactive entertainment franchises that captivate our global audience. Most of our intellectual property is internally owned and developed, which we believe best positions us financially and competitively. We have established a portfolio of proprietary software content for the major hardware and mobile platforms in a wide range of genres, including action, adventure, family/casual, hyper-casual, role-playing, shooter, social casino, sports, and strategy, which we distribute worldwide. We believe that our player-first approach and commitment to creativity and innovation are distinguishing strengths, enabling us to differentiate our products in the marketplace by combining advanced technology with compelling storylines and characters that provide unique gameplay **experiences for consumers**. We have created, acquired, or licensed a group of **highly recognizable** brands to match the broad consumer demographics that we serve, ranging from adults to children and game enthusiasts to casual gamers. Another cornerstone of our strategy is to support the success of our products in the marketplace through innovative marketing programs and global distribution on platforms and through channels that are relevant to our target audience.

We derive substantially all of our revenue from the sale of our interactive entertainment content, which includes the sale of internally developed software titles and software titles developed by third parties, the sale of in-game virtual items and advertising, and live services on console, PC, and mobile. Operating margins are dependent in part upon our ability to release new, commercially successful software products and to manage effectively their development and marketing costs. We have internal development studios located in Australia, Canada, China, Czech Republic, Finland, Germany, Hungary, India, Serbia, South Korea, Spain, Turkey, the United Kingdom (U.K.), and the United States (U.S.).

**Rockstar Games.** Rockstar Games' strategy is to develop a limited number of titles that are known for their quality and longevity in the market for which they can create sequels and incremental revenue opportunities through virtual currency, add-on content, and in-game purchases. Software titles published by our Rockstar Games label are primarily internally developed. We expect Rockstar Games, our wholly-owned publisher of the *Grand Theft Auto*, *LA Noire*, *Max Payne*, *Midnight Club*, *Red Dead Redemption*, and other popular franchises, to continue to be a leader in the action/adventure product category and to create groundbreaking entertainment. We believe that Rockstar Games has established a uniquely original, popular, cultural phenomenon with its *Grand Theft Auto* series, which is the interactive entertainment industry's most iconic and critically acclaimed brand and has sold-in over **425** **430** million units worldwide. Our most recent installment, *Grand Theft Auto V*, which was released in 2013, has sold-in over **200** **205** million units worldwide and includes access to *Grand Theft Auto Online*. Rockstar Games offers its GTA+ membership program, which engages its player community with an array of rotating benefits, including access to classic Rockstar titles. Rockstar Games continues to invest in the franchise and plans to release *Grand Theft Auto VI* in the **Fall** **fall** of calendar **year** 2025. The label released its first trailer for the title in December 2023 and will share more details over time. *Red Dead Redemption 2*, which has been a critical and commercial success that set numerous entertainment industry records, has sold-in more than **60** **65** million units worldwide to date. Rockstar Games continues to expand on its established series by developing sequels, offering downloadable episodes, and providing additional content. Rockstar Games' titles are published across all key platforms, including mobile.

**2K.** Our 2K label has published a variety of popular entertainment properties across all key platforms and across a range of genres including shooter, action, role-playing, strategy, sports, and family/casual entertainment. In recent years, 2K has expanded its offerings to include several new franchises that are expected to enhance and diversify its slate of games and provide opportunities for sequels and additional content. We expect 2K to continue to develop new, successful franchises in the future. 2K's internally owned and developed franchises include the critically acclaimed, multi-million unit selling *BioShock*, *Mafia*, *Sid Meier's Civilization*, and *XCOM* franchises, as well as the *Borderlands* and *Tiny Tina's Wonderlands* franchises, which **were added to its portfolio** **with** **are now owned by us** following our June 2024 acquisition of Gearbox. 2K's realistic sports simulation titles include our flagship *NBA 2K* series, which continues to be the top-ranked NBA basketball video game, the *WWE 2K* professional wrestling series, *PGA TOUR 2K*, and *TopSpin 2K*. 2K also publishes mobile titles, including *WWE SuperCard* and *NFL 2K Playmakers*. **We** **In** **2018**, **we** expanded our relationship with the NBA through the *NBA 2K League*.

**Private Division.** Our Private Division label is was dedicated to bringing titles from the industry's leading creative talent to market and is was the publisher, developer, and owner of *Kerbal Space Program* and *OlliOlli World*. In October 2024, we sold the label, including our rights to substantially all of the label's titles. Take-Two will continue to support *No Rest for the Wicked*, which launched in early access on PC in April.

**Zynga.** Our Zynga label publishes popular free-to-play mobile games that deliver high quality, deeply engaging entertainment experiences and generates revenue from in-game sales and in-game advertising. Zynga's strategy is to have numerous games in concept development and to determine which titles are best suited for soft launch and worldwide launch based on the achievement of various milestones and KPI thresholds. Zynga's diverse portfolio of popular game franchises has been downloaded more than six billion times, including *CSR Racing*, *Dragon City*, *Empires & Puzzles*, *FarmVille*, *Game of Thrones: Legends*, *Golf Rival*, *Harry Potter: Puzzles & Spells*, *Match Factory!*, *Merge Dragons!*, *Merge Magic!*, *Monster Legends*, *Star Wars: Hunters*, *Toon Blast*, *Top Eleven*, *Top Troops*, *Toy Blast*, *Two Dots*, *Words With Friends*, *Zynga Poker*, and a high volume of hyper-casual mobile titles, including *Fill the Fridge!*, *Parking Jam 3D*, *Power Slap*, *Pull the Pin*, *Screw Jam*, *Twisted Tangle*, and *Tangled Snakes*.

#### International Expansion

The global market for interactive entertainment continues to grow, and we seek to increase our presence internationally, particularly in Asia, the Middle East, and Latin America. We are continuing to execute on our growth initiatives in Asia, where our strategy is to build on our licensing relationships and also broaden the distribution of our existing products and expand our online gaming presence, especially in China. 2K has secured a multi-year license from the NBA to develop an online version of our NBA simulation game in China, Taiwan, Hong Kong, and Macau. Our first such title, *NBA 2K Online*, a free-to-play NBA simulation game based on the console edition of *NBA 2K*, which was co-developed by 2K and Tencent, is the top online PC sports game in China with over 60 65 million registered users. We have released two iterations of *NBA 2K Online* and continue to enhance the title with new features. While we retain title to all intellectual property, in some regions, local publishers, under license agreements, are responsible for localization of software content, distribution, and marketing of the products in their respective local markets.

#### Trends and Factors Affecting our Business

**Product Release Schedule.** Our financial results are affected by the timing of our product releases and the commercial success of our titles. Generally, a significant portion of our revenue has been derived from a few popular franchises, particularly around new releases within those franchises, some of which have annual or biennial releases.

Additionally, our *Grand Theft Auto* products in particular have historically accounted for a significant portion of our revenue. Sales of *Grand Theft Auto* products generated 13.1% 12.9% of our net revenue for the three six months ended June 30, 2024 September 30, 2024. The timing of our *Grand Theft Auto* product releases may affect our financial performance on a quarterly and annual basis.

**Economic Environment and Retailer Performance.** We continue to monitor various macroeconomic and geopolitical factors that may affect our business in several areas, including consumer demand, inflation, pricing pressure on our products, credit quality of our receivables, and foreign currency exchange rates. For example, in response to the conflict in Ukraine, Actions we suspended sales of our products in Russia and Belarus, which had a negative impact on our financial results. Actions have taken to date and other potential actions we may take in the future in response to these factors could result in additional negative impact impacts in future periods.

The economic environment has affected our customers in the past and may do so in the future. There has been increased consolidation in our industry, as larger, better capitalized competitors will be in a stronger position to withstand prolonged periods of economic downturn and sustain their business through the financial volatility. Also, bankruptcies or consolidations of our large retail customers could seriously hurt our business, due to uncollectible accounts receivable and the concentration of purchasing power among the remaining large retailers.

**Hardware Platforms.** We derive a substantial portion of our revenue from the sale of products made for video game consoles manufactured by third parties. Such console revenue comprised 38.0% 37.2% of our net revenue for the three six months ended June 30, 2024 September 30, 2024. The success of our business is dependent upon consumer acceptance of these platforms and the continued growth in the installed base of these platforms. When new hardware platforms are introduced, demand for interactive entertainment developed for older platforms typically declines, which may negatively affect our business during the market transition to the new consoles. The latest Sony and Microsoft consoles provide "backwards compatibility" (i.e., the ability to play games for the previous generation of consoles). The inclusion of such features on new consoles could mitigate the risk of such a decline. However, we cannot be certain how backwards compatibility will affect demand for our products. Further, events beyond our control may impact the availability of these new consoles, which may also affect demand. We manage our product delivery on each current and future platform in a manner we believe to be most effective to maximize our revenue opportunities and achieve the desired return on our investments in product development. Accordingly, our strategy for these platforms is to focus our development efforts on a select number of the highest quality titles.

**Online Content and Digital Distribution.** We provide a variety of online delivered products, including direct digital downloads of our titles, and access to additional offerings through virtual currency, add-on content, and in-game purchases, which drive ongoing engagement and incremental revenue from recurrent consumer spending on our titles. Net revenue from digital online channels comprised 96.8% 96.4% of our net revenue for the three six months ended June 30, 2024 September 30, 2024. We expect online delivery of games and game offerings to continue to be the primary part of our business over the long term.

A significant portion of our mobile titles are distributed, marketed, and promoted through third parties, primarily Apple's App Store and the Google Play Store. Virtual items for our mobile games are purchased through the payment processing systems of these platform providers. We generate a significant portion of our net revenue through the Apple and Google platforms and expect to continue to do so for the foreseeable future. Apple and Google generally have the discretion to set the amounts of their platform fees and change their platforms' terms of service and other policies with respect to us or other developers at their sole discretion, and those changes may be unfavorable to us. These platform fees are recorded as cost of revenue as incurred. Further, as a result of the platform fees associated with online game sales, our mobile net revenue generally generates a lower gross margin percentage than our Console or PC revenue. Accordingly, the overall product mix between mobile and other game sales may affect our gross margin percentage. We are also expanding our direct-to-consumer efforts more meaningfully across our mobile portfolio to enhance profitability.

In addition, we aim to drive ongoing engagement and incremental revenue from recurrent consumer spending on our titles through virtual currency, add-on content, in-game purchases, and in-game advertising, all of which are typically delivered digitally.

**Player acquisition costs.** Principally for our mobile titles, we use advertising and other forms of player acquisition and retention to grow and retain our player audience. These expenditures, which are recorded within Sales and marketing in our Condensed Consolidated Statements of Operations, generally relate to the promotion of new game launches and ongoing performance-based programs to drive new player acquisition and lapsed player reactivation. Over time, the effectiveness or cost of these acquisition and retention-related programs may change, affecting our operating results.

#### Content Release Highlights

During fiscal year 2025, 2K released *NFL 2K Playmakers*, *TopSpin 2K25*, and *NBA 2K25*; Private Division released *No Rest for the Wicked* early access on PC, PC; and Zynga released *Star Wars: Hunters* and *Game of Thrones: Legends RPG*. *Legends*.

To date we have announced that, during the remainder of fiscal year 2025, 2K will plans to release *NBA 2K25 Sid Meier's Civilization VII* and *WWE 2K25*. Rockstar Games plans to release *Grand Theft Auto VI* in the Fall fall of calendar 2025 year 2025.

In addition, throughout the year, we expect to continue to deliver new content for our franchises. We will also continue to invest in opportunities that we believe will enhance and scale our business and have the potential to drive growth over the long term.

#### Critical Accounting Policies and Estimates

Our most critical accounting policies, which are those that require significant judgment, include revenue recognition; capitalization and recognition of software development costs and licenses; fair value estimates including valuation of goodwill and intangible assets; valuation and recognition of stock-based compensation; and income taxes. In-depth descriptions of our other critical accounting policies and estimates can be found in our [Annual Report on Form 10-K](#) for the fiscal year ended March 31, 2024.

#### Recently Adopted and Recently Issued Accounting Pronouncements

See [Note 1 - Basis of Presentation and Significant Accounting Policies](#) for further discussion.

#### Operating Metric

##### Net Bookings

We monitor Net Bookings as a key operating metric in evaluating the performance of our business. Net Bookings is defined as the net amount of products and services sold digitally or sold-in physically during the period and includes licensing fees, merchandise, in-game advertising, strategy guides, and publisher incentives. Net Bookings were as follows:

		Three Months Ended June 30,			Six Months Ended September 30,					
		Three Months Ended June 30,			Six Months Ended September 30,					
		Three Months Ended June 30,			Six Months Ended September 30,					
2024	2024	2024	2024	2023	2024	2023	2024	2023	2024	2023
2024	2024	2024	2024	2023	2024	2023	2024	2023	2024	2023
Net Bookings	Net Bookings	\$ 1,474.9	\$ 1,444.9	\$ 30.0	2.1	2.1 %	\$ 2,693.1	\$ 2,646.5	\$ 46.6	1.8
Net Bookings	Net Bookings									

For the three months ended June 30, 2024 September 30, 2024, Net Bookings increased as compared to the prior year period. The increase was primarily due to an increase in Net Bookings from *Match Factory!*, which released in November 2023, 2023, and *Toon Blast; TopSpin 2K25 Blast*, which released These increases were partially offset by a decrease in April 2024; Net Bookings from our *Grand Theft Auto* franchise, our hyper-casual mobile portfolio, our *Red Dead Redemption* franchise, which included our August 2023 release of *Red Dead Redemption* and *Undead Nightmare*, and *Empires & Puzzles*.

For the six months ended September 30, 2024, Net Bookings increased as compared to the prior year period. The increase was primarily due to an increase in Net Bookings from *Match Factory!*, *Toon Blast*, and *No Rest for the Wicked* *TopSpin 2K25*, which released for early access in April 2024. These increases were partially offset by a decrease in Net Bookings from our hyper-casual mobile portfolio, our *NBA 2K* franchise, our hyper-casual mobile portfolio, and *LEGO 2K Drive*, *Grand Theft Auto* which released in May 2023; franchises, and *Empires & Puzzles*, and *Merge Dragons!*.

#### Results of Operations

The following tables set forth, for the periods indicated, our Condensed Consolidated Statements of Operations, net revenue by platform, net revenue by distribution channel, and net revenue by content type:

		Three Months Ended September 30,			Six Months Ended September 30,					
		2024	2024	2024	2023	2023	2024	2023	2024	2023

2024													
Total net revenue													
Total net revenue													
Total net revenue	Total net revenue	\$1,353.1	100.0	100.0 %	\$1,299.2	100.0	100.0 %	\$2,691.3	100.0	100.0 %	\$2,583.9	100.0	100.0 %
Cost of revenue	Cost of revenue	625.2	46.2	46.2 %	883.8	68.0	68.0 %	1,192.3	44.2	44.2 %	1,489.3	57.7	57.7 %
Cost of revenue													
Cost of revenue													
Gross profit	Gross profit	727.9	53.8	53.8 %	415.4	32.0	32.0 %	1,499.0	55.8	55.8 %	1,094.6	42.3	42.3 %
Selling and marketing	Selling and marketing	461.3	34.1	34.1 %	334.6	25.8	25.8 %	892.7	33.2	33.2 %	734.0	28.4	28.4 %
Selling and marketing													
Selling and marketing													
Research and development	Research and development	246.7	18.2	18.2 %	232.1	17.9	17.9 %	466.5	17.3	17.3 %	470.7	18.2	18.2 %
General and administrative	General and administrative	253.0	18.7	18.7 %	178.3	13.7	13.7 %	463.5	17.2	17.2 %	376.2	14.6	14.6 %
General and administrative													
General and administrative													
Depreciation and amortization	Depreciation and amortization	47.3	3.5	3.5 %	45.3	3.5	3.5 %	92.1	3.4	3.4 %	85.7	3.3	3.3 %
Depreciation and amortization													
Depreciation and amortization													
Business reorganization	Business reorganization	—	— %	165.4	12.7 %	—	— %	165.4	6.4 %	—	—	—	
Business reorganization	Business reorganization	16.8	1.2	1.2 %	3.4	0.2	0.2 %	66.3	2.5	2.5 %	10.6	0.4	0.4 %
Total operating expenses	Total operating expenses	1,025.1	75.7	75.7 %	959.1	73.8	73.8 %	1,981.1	73.6	73.6 %	1,842.6	71.3	71.3 %
Total operating expenses													
Total operating expenses													
Loss from operations	Loss from operations	—	— %	—	— %	—	— %	—	— %	—	—	—	
Loss from operations	Loss from operations	—	— %	—	— %	—	— %	—	— %	—	—	—	

Loss from operations	Loss from operations	(297.2)	(21.9)	(21.9)%	(543.7)	(41.8)	(41.8)%	(482.1)	(17.8)	(17.8)%	(748.0)	(29.0)	(29.0)%										
Interest and other, net	Interest and other, net	(25.9)	(1.9)	(1.9)%	(31.1)	(2.4)	(2.4)%	(50.1)	(1.9)	(1.9)%	(56.5)	(2.2)	(2.2)%										
Interest and other, net																							
Interest and other, net																							
(Loss) gain on fair value adjustments, net																							
(Loss) gain on fair value adjustments, net																							
(Loss) gain on fair value adjustments, net																							
Loss before income taxes	Loss before income taxes																						
Loss before income taxes	Loss before income taxes																						
Provision for (benefit from) income taxes	Provision for (benefit from) income taxes	41.2	3.0	3.0 %	(33.4)	(2.6)	(2.6)%	91.0	3.4	3.4 %	(56.3)	(2.2)	(2.2)%										
Provision for (benefit from) income taxes																							
Net loss	Net loss	\$ (365.5)	(26.9)	(26.9)%	\$ (543.6)	(41.8)	(41.8)%	\$ (627.5)	(23.3)	(23.3)%	\$ (749.6)	(29.1)	(29.1)%										
Net loss																							
Net loss																							
Three Months Ended June 30,																							
Three Months Ended June 30,																							
Three Months Ended June 30,																							
Three Months Ended September 30,							Six Months Ended September 30,																
2024				2024			2023		2024			2023											
2024				2024			2023		2024			2023											
2024				2024			2023		2024			2023											
<b>Net revenue by platform:</b>																							
<b>Net revenue by platform:</b>																							
<b>Net revenue by platform:</b>																							
Mobile	Mobile	\$ 740.2	54.7	54.7 %	\$ 646.2	49.7	49.7 %	\$ 1,462.7	54.3	54.3 %	\$ 1,326.2	51.3	51.3 %										
Mobile	Mobile	Console	491.1	36.3	36.3 %	546.7	42.1	42.1 %	1,000.0	37.2	37.2 %	1,051.0	40.7	40.7 %									



Three Months Ended **June 30, 2024** **September 30, 2024** Compared to **June 30, 2023** **September 30, 2023**

(millions of dollars)		2024			2023			Increase/ (decrease)			% Increase/ (decrease)		
		2024	%	2023	%	2023	%	2023	%	2023	%	2023	%
Total net revenue	Total net revenue	\$1,338.2	100.0	\$1,284.7	100.0	\$1,284.7	100.0	\$53.5	4.2	\$53.5	4.2	\$1,353.1	100.0

Product costs	Product costs	203.3	15.2	15.2 %	178.9	13.9	13.9 %	24.4	13.6	13.6 %	Product costs	212.5	15.7
Game intangibles	Game intangibles	163.5	12.2	12.2 %	186.9	14.5	14.5 %	(23.4)	(12.5)	(12.5) %	Game intangibles	173.4	12.8
Licenses		97.2	7.2	%	102.8		7.9	%	(5.6)	(5.4) %			
Internal royalties		77.2	5.7	%	112.8		8.7	%	(35.6)	(31.6) %			
Software development costs and royalties (1)	Software development costs and royalties (1)	76.2	5.7	5.7 %	115.7	9.0	9.0 %	(39.5)	(34.1)	(34.1) %	Software development costs and royalties (1)	64.9	4.8
Internal royalties		69.0	5.2	%	72.6		5.7	%	(3.6)	(5.0) %			
Licenses		55.1	4.1	%	51.4		4.0	%	3.7	7.2 %			
Cost of revenue	Cost of revenue	567.1	42.4	42.4 %	605.5	47.1	47.1 %	(38.4)	(6.3)	(6.3) %	Cost of revenue	625.2	46.2
Gross profit	Gross profit	\$ 771.1	57.6	57.6 %	\$ 679.2	52.9	52.9 %	\$ 91.9	13.5	13.5 %	Gross profit	\$ 727.9	53.8

(1) Includes \$2.9 \$3.1 and \$6.7 \$7.5 of stock-based compensation expense in 2024 and 2023, respectively, in software development costs and royalties.

For the three months ended **June 30, 2024** **September 30, 2024**, net revenue increased by **\$53.5** **\$53.9** as compared to the prior year period. The increase was primarily due to an increase in net revenue of **\$63.2** **\$73.6** from *Match Factory!*, which released in November 2023,

and **\$31.6** **\$35.6** from *Toon Blast*. These increases were partially offset by a decrease in net revenue of **\$21.2** (i) **\$27.4** from our *hyper-casual mobile portfolio*.

*Grand Theft Auto* franchise, (ii) **\$21.8** from our *NBA 2K* franchise, and (iii) **\$13.1** from our *Red Dead Redemption* franchise, which included our August 2023 release of *Red Dead Redemption* and *Undead Nightmare*.

Net revenue from mobile increased by **\$42.5** **\$94.0** and accounted for **54.0%** **54.7%** of our total net revenue for three months ended **June 30, 2024** **September 30, 2024**, as compared to **52.9%** **49.7%** for the prior year period. The increase was primarily due to an increase in net revenue from *Match Factory!*, *Toon Blast*, *Blast*, and *Empires & Puzzles*. These increases were partially offset by a decrease in net revenue from our *hyper-casual mobile portfolio*, *Merge Dragons!*. Net revenue from console games increased/decreased by **\$4.6** **\$55.6** and accounted for **38.0%** **36.3%** of our total net revenue for the three months ended **June 30, 2024** **September 30, 2024**, as compared to **39.3%** **42.1%** for the prior year period. The increase/decrease in net revenue from console games was due to a decrease in net revenue from our *Grand Theft Auto* and *NBA 2K* franchises. These decreases were partially offset by an increase in net revenue from our *Red Dead Redemption*, *Borderlands* franchise and *TopSpin 2K25*, which released in April 2024. These increases were partially offset by a decrease in net revenue from our *NBA 2K* franchise, *LEGO 2K Drive*, which released in May 2023; and our *PGA TOUR 2K* and *Grand Theft Auto* franchises. Net revenue from PC and other increased by **\$6.4** **\$15.5** and accounted for **8.0%** **9.0%** of our total net revenue for the three months ended **June 30, 2024** **September 30, 2024**, as compared to **7.8%** **8.2%** for the prior year period. The increase in net revenue from PC and other was primarily due to an increase in net revenue from our *No Rest for the Wicked*, *Risk of Rain* franchise, which released for early access was acquired in April connection with our acquisition of Gearbox in June 2024 (refer to [Note 13 - Acquisitions](#)), and our *Borderlands*, *Grand Theft Auto*, *NBA 2K* franchise, and *NBA 2K* franchises. These increases were partially offset by a decrease in net revenue from our *NBA 2K*, *Red Dead Redemption* franchise.

Recurrent consumer spending ("RCS") is generated from ongoing consumer engagement and includes revenue from virtual currency, add-on content, in-game purchases, and in-game advertising. Net revenue from RCS increased by **\$29.3** **\$78.6** and accounted for **82.0%** **79.7%** of net revenue for the three months ended **June 30, 2024** **September 30, 2024**, as compared to **83.2%** **77.0%** of net revenue for the prior year period. The increase in net revenue from RCS was primarily due to increases in net revenue from *Match Factory!*, *Toon Blast*, and *Empires & Puzzles*. These increases were partially offset by a decrease in net revenue from our *hyper-casual mobile portfolio* and our *Grand Theft Auto* franchise and *NBA 2K* franchises. Net revenue from full game and other increased/decreased by **\$24.2** **\$24.7** and accounted for **18.0%** **20.3%** of net revenue for the three months ended **June 30, 2024** **September 30, 2024** as compared to **16.8%** **23.0%** of net revenue for the prior year period. The increase/decrease in net revenue from full game and other was due primarily to an increase/decrease in net revenue from our *Red Dead Redemption* franchise, *TopSpin 2K25*, and our *Grand Theft Auto*, *NBA 2K* franchise, and *Red Dead Redemption* franchises. These increases/decreases were partially offset by a decrease/increase in net revenue in our *NBA 2K*, *Borderlands* franchise and *LEGO 2K Drive*, *Mafia*, franchises.

Net revenue from digital online channels increased by **\$55.5** **\$60.3** and accounted for **96.8%** **96.1%** of our total net revenue for the three months ended **June 30, 2024** **September 30, 2024**, as compared to **96.5%** **95.4%** for the prior year period. The increase was primarily due to increases in net revenue from *Match Factory!* and *Toon Blast*. These increases were partially offset by a decrease in net revenue in our *hyper-casual mobile portfolio*, *Grand Theft Auto* and *NBA 2K* franchises. Net revenue from physical retail and other channels decreased by **\$2.0** **\$6.4** and accounted for **3.2%** **3.9%** of our total net revenue for the three months ended **June 30, 2024** **September 30, 2024**, as compared to **3.5%** **4.6%** for the same period in the prior year period. The decrease in net revenue from physical retail and other channels was due primarily to a decrease in net revenue from *LEGO 2K Drive* and our *NBA 2K* and *PGA TOUR*, *WWE 2K* franchises. These decreases were partially offset by an increase in net revenue from physical retail and other channels from *TopSpin 2K25* and our *Red Dead Redemption* franchise.

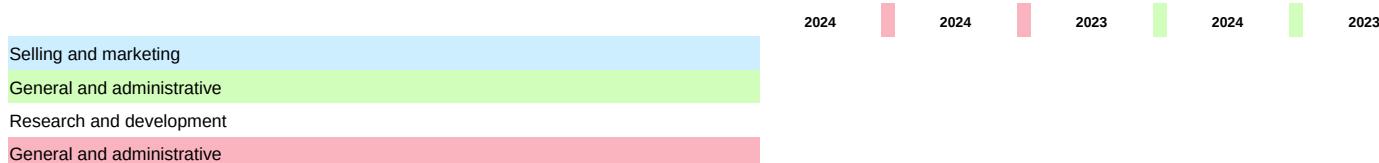
Gross profit as a percentage of net revenue for the three months ended **June 30, 2024** **September 30, 2024** was **57.6%** **53.8%** as compared to **52.9%** **32.0%** for the prior year period. The increase in gross profit as a percentage of net revenue was primarily due to (i) lower development royalties due primarily to the timing of releases and (ii) lower amortization of intangibles assets due primarily to impairment charges in the prior year for acquisition-related intangible assets, assets and (ii) lower internal royalties due to the timing of when royalties are earned, partially offset by higher digital platform fees.

Changes in foreign currency exchange rates decreased increased net revenue by **\$1.3** **\$0.5** and decreased increased gross profit by **\$0.6** **\$0.2** for the three months ended **June 30, 2024** **September 30, 2024** as compared to the prior year period.

#### Operating Expenses

(millions of dollars)		2024		% of net revenue		2023		%
		2024	2023	% of net revenue		2023	2023	
Selling and marketing	Selling and marketing	\$ 431.4	32.2	32.2	%	\$ 399.4	31.1	13
General and administrative		253.0		18.7	%	178.3		15
Research and development	Research and development	219.8	16.4	16.4	%	238.6	18.6	15
General and administrative		210.5		15.7	%	197.9		15
Depreciation and amortization	Depreciation and amortization	44.8	3.3	3.3	%	40.4	3.1	12
Goodwill impairment		—		—	%	165.4		12
Business reorganization	Business reorganization	49.5	3.7	3.7	%	7.2	0.6	12
<b>Total operating expenses<sup>(1)</sup></b>	<b>Total operating expenses<sup>(1)</sup></b>	<b>\$ 956.0</b>	<b>71.3</b>	<b>71.3</b>	<b>%</b>	<b>\$ 883.5</b>	<b>68.8</b>	

(1) Includes stock-based compensation expense, which was allocated as follows:



Changes in foreign currency exchange rates decreased increased total operating expenses by **\$2.0** **\$1.2** for the three months ended **June 30, 2024** **September 30, 2024**, as compared to the prior year period.

#### Selling and marketing

Selling and marketing expenses increased by **\$32.0** **\$126.7** for the three months ended **June 30, 2024** **September 30, 2024**, as compared to the prior year period, due primarily to higher overall marketing expenses for *Match Factory!*, with no corresponding expense in the prior fiscal year, *Game of Thrones: Legends*, and partially offset by lower amortization related to intangible assets related to our Zynga acquisition.

#### Research and development

Research and development expenses decreased by \$18.8 for the three months ended June 30, 2024, as compared to the prior year period, primarily due to the timing of tax related credits related to certain titles, partially offset by an increase in personnel expense due to increased headcount. *NBA 2K* franchise.

#### General and administrative

General and administrative expenses increased by **\$12.6** **\$74.7** for the three months ended **June 30, 2024** **September 30, 2024**, as compared to the prior year period, due primarily to increases in (i) professional legal fees and contingencies related to our Gearbox acquisition (refer to Note 13 - Acquisitions), the IBM case against Zynga and (ii) IT-related expenses for cloud-based services and IT infrastructure, and (iii) personnel expense due to increased headcount, partially offset by a reduction of expense in the current year as compared to the prior year related to updating the fair value of contingent earn-out liability for our acquisition of Popcore.

General and administrative expenses for the three months ended **June 30, 2024** **September 30, 2024** and 2023 included occupancy expense (primarily rent, utilities and office expenses) of **\$16.9** **\$19.2** and \$16.8, respectively, related to our development studios.

#### Research and development

Research and development expenses increased by \$14.6 for the three months ended September 30, 2024, as compared to the prior year period, primarily due to increases in personnel expense due to increased headcount and IT-related expenses for cloud-based services and IT infrastructure, partially offset by additional R&D related credits related to certain titles.

#### Depreciation and amortization

Depreciation and amortization expenses increased by **\$4.4** **\$2.0** for the three months ended **June 30, 2024** **September 30, 2024**, as compared to the prior year period, due primarily to an increase in IT infrastructure and leasehold improvements for office buildouts.

#### Goodwill impairment

Goodwill impairment expenses decreased by \$165.4 for the three months ended September 30, 2024, as compared to the prior year period, due to a partial impairment recognized related to one of our reporting units in the prior year (refer to [Note 14 - Goodwill and Intangible Assets, Net](#)).

#### Business reorganization

Business reorganization increased by \$42.3 \$13.4 for the three months ended **June 30, 2024** September 30, 2024, as compared to the prior year period, due primarily to the cancellation of titles and employee-related costs as part of our **approved** cost reduction program (refer to [Note 15 - Business Reorganization](#)).

#### Interest and other, net

Interest and other, net was expense of \$24.2 \$25.9 for the three months ended **June 30, 2024** September 30, 2024, as compared to expense of \$25.4 \$31.1 for the prior year period. The net decrease in expense was due primarily to an increase in interest income primarily due

to increases in interest rates and a decrease in foreign currency losses, losses. These decreases in expense were partially offset by a gain on an increase in interest expense related to our debt extinguishment recognized in the prior year, transactions (refer to [Note 9 - Debt](#)).

#### **(Loss) gain Loss on fair value adjustments, net**

(Loss) gain Loss on fair value adjustments, net was a loss of \$3.1 \$1.2 for the three months ended **June 30, 2024** September 30, 2024 as compared to a gain loss of \$0.8 \$2.2 for the prior year period. The change was due primarily to changes in fair value based on the observable price changes of our long-term investments.

#### Provision for income taxes

The provision for income taxes for the three months ended **June 30, 2024** September 30, 2024 is based on our projected annual effective tax rate for fiscal year 2025, adjusted for specific items that are required to be recognized in the period in which they are incurred. The provision for income taxes was \$49.8 \$41.2 for the three months ended **June 30, 2024** September 30, 2024, as compared to the benefit from income taxes of \$22.9 \$33.4 for the prior year period.

When compared to the statutory rate of 21%, the effective tax rate of (23.5) (12.7)% for the three months ended **June 30, 2024** September 30, 2024 was due primarily to tax expense of \$96.8 \$104.9 related to an increase in valuation allowance and tax expense of \$8.2 \$9.9 related to geographic mix of earnings offset by benefits of \$17.7 \$17.2 from tax credits.

In the prior year period, when compared to the statutory rate of 21.0%, the effective tax rate of 10.0% 5.8% for the three months ended **June 30, 2023** September 30, 2023 was due primarily to tax expense of \$25.4 \$56.3 related to an increase in the U.S. valuation allowance, tax expense of \$5.0 \$33.5 related to the impairment of nondeductible goodwill, \$8.1 related to the revaluation of deferred taxes due to a change in the statutory tax rate in Turkey, offset by tax benefits of \$21.6 from employee stock-based compensation, tax credits and tax expense of \$2.4 related to the geographic mix of earnings offset by benefits of \$20.4 from tax credits, earnings.

The change in the effective tax rate, when compared to the prior year period's effective tax rate, is due primarily to decreased tax expense related to the impairment of nondeductible goodwill, decreased tax expense related to the revaluation of deferred taxes due to statutory rate changes in the prior period, offset by increased tax expense from changes in valuation allowance, increased tax expense related to geographic mix of earnings, and decreased tax benefits from tax credits, offset by increased benefits from employee stock-based compensation.

#### credits.

The accounting for share-based compensation will increase or decrease our effective tax rate based upon the difference between our share-based compensation expense and the deductions taken on our tax return, which depends on the stock price at the time of the employee award vesting.

We anticipate that additional excess tax benefits or shortfalls from employee stock compensation, tax credits, and changes in our geographic mix of earnings could have a significant impact on our effective tax rate in the future. In addition, we are regularly examined by domestic and foreign taxing authorities. Examinations may result in tax assessments in excess of amounts claimed and the payment of additional taxes. We believe our tax positions comply with applicable tax law, and that we have adequately provided for reasonably foreseeable tax assessments. It is possible that settlement of audits or the expiration of the statute of limitations could have an impact on our effective tax rate in future periods.

The American Rescue Plan Act of 2021 (the "ARPA"), among other things, includes provisions to expand the IRC Section 162(m) disallowance for deduction of certain compensation paid by publicly held corporations. Effective for tax years starting after December 31, 2026 (April 1, 2027 for the Company), the ARPA expands the limitation to cover the next five most highly compensated employees. The ARPA did not have a material impact on our Condensed Consolidated Financial Statements for the three months ended **June 30, 2024** September 30, 2024. We continue to evaluate the potential impact the ARPA may have on our operations and Consolidated Financial Statements in future periods.

The Inflation Reduction Act of 2022 (the "Inflation Reduction Act") includes a new corporate alternative minimum tax (CAMT) of 15% on the adjusted financial statement income (AFSI) of corporations with an average AFSI exceeding \$1.0 billion over a consecutive three-year period. The CAMT is effective for taxable year ending March 31, 2024. It is possible that the CAMT could result in an additional tax liability over the regular federal corporate tax liability in a particular year based on differences between book and taxable income. We estimate no tax liability relating to CAMT for the current fiscal year. We will continue to evaluate the potential impact the Inflation Reduction Act may have on our operations and Consolidated Financial Statements in future periods.

The Organization for Economic Co-operation and Development ("OECD") has proposed a global minimum tax of 15% of reported profits, referred to as Pillar Two. Many countries have already implemented or are taking steps to implement Pillar Two. Although the model rules provide a framework for applying the minimum tax, countries may enact Pillar Two slightly differently than the model rules and on different timelines. Many aspects of Pillar Two are effective for the fiscal year ending March 31, 2025. Pillar Two could result in additional tax liability over the regular corporate tax liability in a particular jurisdiction to the extent tax expense is less than 15% minimum rate. The impact of Pillar Two was not material to the tax provision for the three months ended September 30, 2024. We will continue to evaluate the impact Pillar Two may have on our operations.

#### Net loss and Loss per share

For the three months ended September 30, 2024, net loss was \$365.5, as compared to a net loss of \$543.6 in the prior year period. Basic and diluted loss per share for the three months ended September 30, 2024 was \$2.08, as compared to basic and diluted loss per share of \$3.20 in the prior year period. Basic weighted average shares of 175.4 were 5.5 shares higher as compared to the prior year period basic weighted average shares, due primarily to normal stock compensation activity. See [Note 10 - Loss Per Share](#) to our Condensed Consolidated Financial Statements for additional information.

#### Six Months Ended September 30, 2024 Compared to September 30, 2023

	2024	%	2023	%	Increase/ (decrease)	% Increase/ (decrease)
Total net revenue	\$ 2,691.3	100.0 %	\$ 2,583.9	100.0 %	\$ 107.4	4.2 %
Product costs	415.8	15.4 %	354.6	13.7 %	61.2	17.3 %
Game intangibles	336.9	12.5 %	596.3	23.1 %	(259.4)	(43.5) %
Licenses	152.3	5.7 %	154.2	6.0 %	(1.9)	(1.2) %
Internal royalties	146.2	5.4 %	185.4	7.2 %	(39.2)	(21.1) %
Software development costs and royalties <sup>(1)</sup>	141.1	5.2 %	198.8	7.7 %	(57.7)	(29.0) %
Cost of revenue	1,192.3	44.2 %	1,489.3	57.7 %	(297.0)	(19.9) %
Gross profit	\$ 1,499.0	55.8 %	\$ 1,094.6	42.3 %	\$ 404.4	36.9 %

<sup>(1)</sup> Includes \$6.0 and \$14.2 of stock-based compensation expense in 2024 and 2023, respectively, in software development costs and royalties.

For the six months ended September 30, 2024, net revenue increased by \$107.4 as compared to the prior year period. The increase was primarily due to an increase in net revenue of (i) \$136.8 from *Match Factory!*, which released in November 2023, (ii) \$67.2 from *Toon Blast*, and (iii) \$21.2 from *TopSpin 2K25*, which released in April 2024. The increase was partially offset by a decrease in net revenue of (i) \$38.0 from our *NBA 2K* franchise, (ii) \$27.3 from our *Grand Theft Auto* franchise, and (iii) \$19.6 from our hyper-casual mobile portfolio.

Net revenue from mobile increased by \$136.5 and accounted for 54.3% of our total net revenue for six months ended September 30, 2024, as compared to 51.3% for the prior year period. The increase was primarily due to an increase in net revenue from *Match Factory!* and *Toon Blast*. These increases were partially offset by a decrease in net revenue from our hyper-casual mobile portfolio. Net revenue from console games decreased by \$51.0 and accounted for 37.2% of our total net revenue for the six months ended September 30, 2024, as compared to 40.7% for the prior year period. The decrease was due to a decrease in net revenue from our *Grand Theft Auto* and *NBA 2K* franchises. These decreases were partially offset by an increase in net revenue from *TopSpin 2K25*. Net revenue from PC and other increased by \$21.9 and accounted for 8.5% of our total net revenue for the six months ended September 30, 2024, as compared to 8.0% for the prior year period. The increase was due to an increase in net revenue from our *Risk of Rain* franchise, which was acquired in connection with our acquisition of Gearbox in June 2024 (refer to [Note 13 - Acquisitions](#)), our *Grand Theft Auto* franchise, and *No Rest for the Wicked*, which released for early access in April 2024. These increases were partially offset by a decrease in net revenue from our *Red Dead Redemption* franchise, which included our August 2023 release of *Red Dead Redemption* and *Undead Nightmare*.

Recurrent consumer spending ("RCS") is generated from ongoing consumer engagement and includes revenue from virtual currency, add-on content, in-game purchases, and in-game advertising. Net revenue from RCS increased by \$107.9 and accounted for 80.9% of net revenue for the six months ended September 30, 2024, as compared to 80.1% of net revenue for the prior year period. The increase was primarily due to an increase in net revenue from *Match Factory!* and *Toon Blast*. These increases were partially offset by a decrease in net revenue from our *Grand Theft Auto* franchise, our hyper-casual mobile portfolio, *Merge Dragons!*, and our *NBA 2K* franchise. Net revenue from full game and other decreased by \$0.5 and accounted for 19.1% of net revenue for the six months ended September 30, 2024 as compared to 19.9% of net revenue for the prior year period. The decrease was due to a decrease in net revenue from our *NBA 2K* franchise. This decrease was partially offset by an increase in net revenue from *TopSpin 2K25*.

Net revenue from digital online channels increased by \$115.8 and accounted for 96.4% of our total net revenue for the six months ended September 30, 2024, as compared to 96.0% for the prior year period. The increase was primarily due to an increase in net revenue from *Match Factory!* and *Toon Blast*. This increase was partially offset by a decrease in net revenue

from our *NBA 2K* and *Grand Theft Auto* franchises, and our hyper-casual mobile portfolio. Net revenue from physical retail and other channels decreased by \$8.4 and accounted for 3.6% of our total net revenue for the six months ended September 30, 2024, as compared to 4.0% for the same period in the prior year period. The decrease in net revenue from physical retail and other channels was due primarily to a decrease in net revenue from our *NBA 2K* franchise and *LEGO 2K Drive*. These decreases were partially offset by an increase in net revenue from *TopSpin 2K25*.

Gross profit as a percentage of net revenue for the six months ended September 30, 2024 was 55.8% as compared to 42.3% for the prior year period. The increase in gross profit as a percentage of net revenue was primarily due to lower amortization of intangible assets due primarily to impairment charges in the prior year for acquisition-related intangible assets.

Changes in foreign currency exchange rates decreased net revenue by \$0.8 and decreased gross profit by \$0.4 for the six months ended September 30, 2024 as compared to the prior year period.

#### Operating Expenses

	2024	% of net revenue	2023	% of net revenue	Increase/ (decrease)	% Increase/ (decrease)
Selling and marketing	\$ 892.7	33.2 %	\$ 734.0	28.4 %	\$ 158.7	21.6 %
Research and development	466.5	17.3 %	470.7	18.2 %	(4.2)	(0.9) %

General and administrative	463.5	17.2 %	376.2	14.6 %	87.3	23.2 %
Depreciation and amortization	92.1	3.4 %	85.7	3.3 %	6.4	7.5 %
Goodwill impairment	—	— %	165.4	6.4 %	(165.4)	(100.0)%
Business reorganization	66.3	2.5 %	10.6	0.4 %	55.7	525.5 %
Total operating expenses (1)	\$ 1,981.1	73.6 %	\$ 1,842.6	71.3 %	\$ 138.5	7.5 %

(1) Includes stock-based compensation expense, which was allocated as follows:

	2024	2023
Selling and marketing	\$ 45.7	48.9
Research and development	49.4	52.5
General and administrative	60.4	53.5

Changes in foreign currency exchange rates decreased total operating expenses by \$0.8 for the six months ended September 30, 2024, as compared to the prior year period.

#### Selling and marketing

Selling and marketing expenses increased by \$158.7 for the six months ended September 30, 2024, as compared to the prior year period, due primarily to higher overall marketing expenses for *Match Factory!*, with no corresponding expense in the prior fiscal year.

#### Research and development

Research and development expenses decreased by \$4.2 for the six months ended September 30, 2024, as compared to the prior year period, due primarily to the timing of tax related credits for certain titles, partially offset by an increase in personnel expense due to increased headcount and IT-related expenses for cloud-based services and IT infrastructure.

#### General and administrative

General and administrative expenses increased by \$87.3 for the six months ended September 30, 2024, as compared to the prior year period, due to increases in (i) legal fees and contingencies related to the IBM case against Zynga, (ii) personnel expense due to increased headcount, and (iii) IT-related expenses for cloud-based services and IT infrastructure.

General and administrative expenses for the six months ended September 30, 2024 and 2023 included occupancy expense (primarily rent, utilities and office expenses) of \$36.4 and \$33.6, respectively, related to our development studios.

#### Depreciation and amortization

Depreciation and amortization expenses increased by \$6.4 for the six months ended September 30, 2024, as compared to the prior year period, primarily due to an increase in IT infrastructure and leasehold improvements for office buildouts.

#### Goodwill impairment

Goodwill impairment expenses decreased by \$165.4 for the six months ended September 30, 2024, as compared to the prior year period, due to a partial impairment recognized related to one of our reporting units in the prior year (refer to [Note 14 - Goodwill and Intangible Assets, Net](#)).

#### Business reorganization

Business reorganization increased by \$55.7 for the six months ended September 30, 2024, as compared to the prior year period, due primarily to the cancellation of titles and employee-related costs as part of our cost reduction program (refer to [Note 15 - Business Reorganization](#)).

#### Interest and other, net

Interest and other, net was expense of \$50.1 for the six months ended September 30, 2024, as compared to \$56.5 for the prior year period. The net decrease in expense was due primarily to an increase in interest income primarily due to increases in interest rates and a decrease in foreign currency losses. These decreases in expense were partially offset by an increase in interest expense related to our debt transactions (refer to [Note 9 - Debt](#)) and a gain on debt extinguishment recognized in the prior year on the partial repayment of our 2024 Notes.

#### Loss on fair value adjustments, net

Loss on fair value adjustments, net was \$4.3 for the six months ended September 30, 2024 as compared to \$1.4 for the prior year period. The change was due primarily to changes in fair value based on the observable price changes of our long-term investments.

#### Provision for Income Taxes

The provision for income taxes for the six months ended September 30, 2024 is based on our projected annual effective tax rate for fiscal year 2025, adjusted for specific items that are required to be recognized in the period in which they are incurred. The provision for income taxes was \$91.0 for the six months ended September 30, 2024, as compared to the benefit from income taxes of \$56.3 for the prior year period.

When compared to the statutory rate of 21%, the effective tax rate of (17.0)% for the six months ended September 30, 2024 was due primarily to tax expense of \$201.8 related to an increase in the U.S. valuation allowance, tax expense of \$18.1 related to geographic mix of earnings offset by benefits of \$35.0 from tax credits.

In the prior year period, when compared to the statutory rate of 21.0%, the effective tax rate of 7.0% for the six months ended September 30, 2023 was due primarily to tax expense of \$81.6 related to an increase in the U.S. valuation allowance, tax expense of \$33.5 related to the impairment of nondeductible goodwill, \$8.1 related to the revaluation of deferred taxes due to a change in the statutory tax rate in Turkey, offset by tax benefits of \$42.0 from tax credits and by the geographic mix of earnings.

The change in the effective tax rate, when compared to the prior year period's effective tax rate, is due primarily to decreased tax expense related to the impairment of nondeductible goodwill, decreased tax expense related to the revaluation of deferred taxes due to statutory rate changes in the prior period and decreased tax expense from employee stock-based compensation, offset by increased tax expense from changes in valuation allowance, increased tax expense related to geographic mix of earnings, and decreased tax benefits from tax credits.

The accounting for share-based compensation will increase or decrease our effective tax rate based upon the difference between our share-based compensation expense and the deductions taken on our tax return, which depends on the stock price at the time of the employee award vesting.

We anticipate that additional excess tax benefits or shortfalls from employee stock compensation, tax credits, and changes in our geographic mix of earnings could have a significant impact on our effective tax rate in the future. In addition, we are regularly examined by domestic and foreign taxing authorities. Examinations may result in tax assessments in excess of amounts claimed and the payment of additional taxes. We believe our tax positions comply with applicable tax law, and that we have adequately provided for reasonably foreseeable tax assessments. It is possible that settlement of audits or the expiration of the statute of limitations could have an impact on our effective tax rate in future periods.

The American Rescue Plan Act of 2021 (the "ARPA"), among other things, includes provisions to expand the IRC Section 162(m) disallowance for deduction of certain compensation paid by publicly held corporations. Effective for tax years starting after December 31, 2026 (April 1, 2027 for the Company), the ARPA expands the limitation to cover the next five most highly compensated employees. The ARPA did not have a material impact on our Condensed Consolidated Financial

Statements for the six months ended September 30, 2024. We continue to evaluate the potential impact the ARPA may have on our operations and Consolidated Financial Statements in future periods.

The Inflation Reduction Act of 2022 (the "Inflation Reduction Act") includes a new corporate alternative minimum tax (CAMT) of 15% on the adjusted financial statement income (AFSI) of corporations with an average AFSI exceeding \$1.0 billion over a consecutive three-year period. The CAMT is effective for taxable year ending March 31, 2024. It is possible that the CAMT could result in an additional tax liability over the regular federal corporate tax liability in a particular year based on differences between book and taxable income. We estimate no tax liability relating to CAMT for the current fiscal year. We will continue to evaluate the potential impact the Inflation Reduction Act may have on our operations and Consolidated Financial Statements in future periods.

The Organization for Economic Co-operation and Development ("OECD") has proposed a global minimum tax of 15% of reported profits, referred to as Pillar Two. Many countries have already implemented or are taking steps to implement Pillar Two. Although the model rules provide a framework for applying the minimum tax, countries may enact Pillar Two slightly differently than the model rules and on different timelines. Many aspects of Pillar Two are effective for the fiscal year ending March 31, 2025. Pillar Two could result in additional tax liability over the regular corporate tax liability in a particular jurisdiction to the extent tax expense is less than 15% minimum rate. The impact of Pillar Two was not material to the tax provision for the three six months ended June 30, 2024 September 30, 2024. We will continue to evaluate the impact Pillar Two may have on our operations.

#### Net loss and Loss per share

For the three six months ended June 30, 2024 September 30, 2024, net loss was \$262.0, \$627.5, as compared to a net loss of \$206.0, \$749.6 in the prior year period. Basic For the six months ended September 30, 2024, basic and diluted loss per share for the three months ended June 30, 2024 was \$1.52, \$3.61 as compared to basic and diluted loss per share of \$1.22, \$4.42 in the prior year period. Basic weighted average shares of 172.3, 173.8 were 2.94.2 shares higher as compared to the prior year period basic weighted average shares, due primarily to normal stock compensation activity, including vests as well as grants and forfeitures in the prior year being fully outstanding in the current year, as well as stock issued as consideration for the acquisition of Gearbox. See [Note 10 - Loss Per Share](#) to our Condensed Consolidated Financial Statements for additional information.

#### Liquidity and Capital Resources

Our primary cash requirements are to fund (i) the development, manufacturing and marketing of our published products, (ii) working capital, (iii) capital expenditures, (iv) debt and interest payments, (v) tax payments, and (vi) acquisitions. We expect to rely on cash and cash equivalents as well as on short-term investments, funds provided by our operating activities, and our 2022 Credit Agreement to satisfy our working capital needs. Refer to [Note 9 - Debt](#) for additional discussion of our outstanding debt obligations.

#### Short-term investments

As of June 30, 2024 September 30, 2024, we had \$15.4, \$3.5 of short-term investments, which primarily consisted of bank time deposits with maturities greater than 90 days. From time to time, we may make additional short-term investments depending on future market conditions and liquidity needs.

#### Senior Notes

As of June 30, 2024 September 30, 2024, we had \$3,650.0 of Senior Notes outstanding.

#### Credit Agreement

As of June 30, 2024 September 30, 2024, there were no borrowings under the 2022 Credit Agreement, and we had approximately \$747.8, \$747.7 available for additional borrowings.

#### Convertible Notes

The 2026 Convertible Notes mature on December 15, 2026, unless earlier converted, redeemed, or repurchased in accordance with their terms, prior to the maturity date. The 2026 Convertible Notes do not bear regular interest, and the principal amount does not accrete. An aggregate principal amount of \$29.4 of the 2026 Convertible Notes remained outstanding at June 30, 2024 September 30, 2024.

#### Financial Condition

We are subject to credit risks, particularly if any of our receivables represent a limited number of customers or are concentrated in foreign markets. If we are unable to collect our accounts receivable as they become due, it could adversely affect our liquidity and working capital position.

Generally, we have been able to collect our accounts receivable in the ordinary course of business. We do not hold any collateral to secure payment from customers. We have trade credit insurance on the majority of our customers to mitigate accounts receivable risk.

A majority of our trade receivables are derived from sales to major retailers, including digital storefronts and platform partners, and distributors. Our five largest customers accounted for 83.1% 82.2% and 79.9% 79.5% of net revenue during the three six months ended June 30, 2024 September 30, 2024 and 2023, respectively. As of June 30, 2024 September 30, 2024 and March 31, 2024, five customers accounted for 70.3% 77.4% and 69.9% of our gross accounts receivable, respectively. Customers that individually accounted for more than 10% of our gross accounts receivable balance comprised 57.2% 67.2% and 57.7% of such balances at June 30, 2024 September 30, 2024 and March 31, 2024, respectively. We had three customers who accounted for 23.0% 33.9%, 22.7% 17.8%, and 11.4% 15.5% of our gross accounts receivable as of June 30, 2024 September 30, 2024, and three customers who accounted for 21.8%, 18.1%, and 16.9% of our gross accounts receivable as of March 31, 2024. We did not have any additional customers that exceeded 10% of our gross accounts receivable as of June 30, 2024 September 30, 2024, and March 31, 2024. Based upon performing ongoing credit evaluations, maintaining trade credit insurance on a majority of our customers who sell our physical products, and our past collection experience, we believe that the receivable balances from these largest customers do not represent a significant credit risk, although we actively monitor each customer's creditworthiness and economic conditions that may affect our customers' business and access to capital. We are monitoring the current global economic conditions, including credit markets and other factors as it relates to our customers in order to manage the risk of uncollectible accounts receivable.

We believe that our current cash and cash equivalents, short-term investments, and projected cash flow from operations, along with availability under our 2022 Credit Agreement will provide us with sufficient liquidity to satisfy our cash requirements for working capital, capital expenditures, and commitments on both a short-term and long-term basis.

As of June 30, 2024 September 30, 2024, the amount of cash and cash equivalents held outside of the U.S. by our foreign subsidiaries was \$669.6. \$664.3. These balances are dispersed across various locations around the world. We believe that such dispersion meets the business and liquidity needs of our foreign affiliates. In addition, we expect to have the ability to generate sufficient cash domestically to support ongoing operations for the foreseeable future.

Our Board of Directors has authorized the repurchase of up to 21.7 shares of our common stock. Under this program, we may purchase shares from time to time through a variety of methods, including in the open market or through privately negotiated transactions, in accordance with applicable securities laws. Repurchases are subject to the availability of stock, prevailing market conditions, the trading price of the stock, our financial performance and other conditions. The program does not require us to repurchase shares and may be suspended or discontinued at any time for any reason.

During the three months ended June 30, 2024 September 30, 2024, we did not repurchase shares of our common stock in the open market, as part of the program. We have repurchased a total of 11.7 shares of our common stock under the program, and as of June 30, 2024 September 30, 2024, 10.0 shares of our common stock remained available for repurchase under the share repurchase program.

Our changes in cash flows were as follows:

(millions of dollars)	Three Months Ended June 30, 2024		Six Months Ended September 30, 2024	
	(millions of dollars)	2024	(millions of dollars)	2024 2023
Net cash (used in) provided by operating activities				
Net cash (used in) provided by investing activities				
Net cash provided by (used in) financing activities				
Effects of foreign currency exchange rates on cash, cash equivalents, and restricted cash and cash equivalents				
Net change in cash, cash equivalents, and restricted cash and cash equivalents				

At June 30, 2024 September 30, 2024, we had \$1,471.9 \$1,319.6 of cash and cash equivalents and restricted cash and cash equivalents, compared to \$1,102.0 at March 31, 2024. The increase was primarily due to Net cash provided by financing activities, primarily related to proceeds from the issuance of our 2029 Notes and 2034 Notes (refer to [Note 9 - Debt](#)). This increase was partially offset by the decrease in (i) Net cash used in operating activities, which was due primarily to investments in software

development and licenses, partially offset by sales of our products and (ii) Net cash used in investing activities which was due primarily to the purchase of fixed assets and our immaterial investments.

#### Commitments

Refer to [Note 11 - Commitments and Contingencies](#) for disclosures regarding our commitments.

#### Capital Expenditures

In fiscal year 2025, we anticipate capital expenditures to be approximately \$145.0. \$150.0. During the three six months ended June 30, 2024 September 30, 2024, capital expenditures were \$35.1. \$71.9.

#### International Operations

Net revenue earned outside of the United States is principally generated by our operations in Europe, Asia, Australia, Canada, and Latin America. For the three months ended **June 30, 2024** **September 30, 2024** and 2023, **38.7%** **39.8%** and **37.4%** **38.8%**, respectively, of our net revenue was earned outside the United States. We are subject to risks inherent in foreign trade, including increased credit risks, tariffs and duties, fluctuations in foreign currency exchange rates, shipping delays and international political, regulatory and economic developments, all of which can have a significant effect on our operating results.

#### Fluctuations in Quarterly Operating Results and Seasonality

We have experienced fluctuations in quarterly and annual operating results as a result of the timing of the introduction of new titles, variations in sales of titles developed for particular platforms, market acceptance of our titles, development and promotional expenses relating to the introduction of new titles, sequels or enhancements of existing titles, projected and actual changes in platforms, the timing and success of title introductions by our competitors, product returns, changes in pricing policies by us and our competitors, the accuracy of retailers' forecasts of consumer demand, the size and timing of acquisitions, the timing of orders from major customers, and order cancellations and delays in product shipment. Sales of our full game products are also seasonal, with peak demand typically occurring in the fourth calendar quarter during the holiday season. For certain of our software products with multiple performance obligations, we defer the recognition of our net revenue over an estimated service period which generally ranges from six to fifteen months. As a result, the quarter in which we generate the highest Net Bookings may be different from the quarter in which we recognize the highest amount of Net revenue. Quarterly comparisons of operating results are not necessarily indicative of future operating results.

#### Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the potential loss arising from fluctuations in market rates and prices. Our market risk exposures primarily include fluctuations in interest rates and foreign currency exchange rates.

##### Interest Rate Risk

Our exposure to fluctuations in interest rates relates primarily to our short-term investment portfolio and variable rate debt under the 2022 Credit Agreement.

We seek to manage our interest rate risk by maintaining a short-term investment portfolio that includes corporate bonds with high credit quality and maturities of less than two years. Since short-term investments mature relatively quickly and can be reinvested at the then-current market rates, interest income on a portfolio consisting of short-term securities is more subject to market fluctuations than a portfolio of longer-term maturities. However, the fair value of a short-term portfolio is less sensitive to market fluctuations than a portfolio of longer-term securities. We do not currently use derivative financial instruments in our short-term investment portfolio. Our investments are held for purposes other than trading.

As of **June 30, 2024** **September 30, 2024**, we had **\$15.4** **\$3.5** of short-term investments, which included \$0.0 of available-for-sale securities. The available-for-sale securities were recorded at fair market value with unrealized gains or losses resulting from changes in fair value reported as a separate component of Accumulated other comprehensive loss, in Stockholders' equity. We also had **\$1,081.1** **\$876.1** of cash and cash equivalents that are comprised primarily of money market funds and bank-time deposits. We determined that, based on the composition of our investment portfolio, there was no material interest rate risk exposure to our Condensed Consolidated Financial Statements or liquidity as of **June 30, 2024** **September 30, 2024**.

Historically, fluctuations in interest rates have not had a significant effect on our operating results.

Under our 2022 Credit Agreement, loans will bear interest at a rate of (a) 0.000% to 0.625% above an alternate base rate **(8.50%** **(8.00%** at **June 30, 2024** **September 30, 2024)** or (b) 1.000% to 1.625% above SOFR, approximately **5.33%** **4.84%** at **June 30, 2024** **September 30, 2024**, which rates are determined by the Company's credit rating. At **June 30, 2024** **September 30, 2024**, there were no borrowings under our 2022 Credit Agreement.

##### Foreign Currency Exchange Rate Risk

We transact business in foreign currencies and are exposed to risks resulting from fluctuations in foreign currency exchange rates. In particular, during the six months ended September 30, 2023, there was a significant devaluation of the Turkish Lira against the U.S. Dollar, which negatively affected our results. It is possible that further devaluations could occur, which would have a negative impact on our results. Accounts relating to foreign operations are translated into U.S. dollars using prevailing exchange rates at the relevant period end. Translation adjustments are included as a separate component of Stockholders' equity on our Condensed Consolidated Balance Sheets.

For the three months ended **June 30, 2024** **September 30, 2024** and 2023, our foreign currency translation adjustment was a gain of \$71.6 and a loss of **\$5.4** **\$63.1**, respectively. For the three months ended **September 30, 2024** and 2023, we recognized a foreign currency exchange transaction loss of \$3.4 and a gain/loss of **\$26.0** **\$5.5**, respectively, included in Interest and other, net in our Condensed Consolidated Statements of Operations. For the three months ended **June 30, 2024** **September 30, 2024** and 2023, our foreign currency translation adjustment was a loss/gain of **\$2.8** **\$66.2** and a loss of **\$13.8** **\$37.1**, respectively. For the six months ended **September 30, 2024** and 2023, we recognized a foreign currency exchange transaction loss of \$6.2 and a loss of \$19.3, respectively, included in Interest and other, net in our Condensed Consolidated Statements of Operations.

##### Balance Sheet Hedging Activities

We use foreign currency forward contracts to mitigate foreign currency exchange rate risk associated with non-functional currency denominated cash balances and intercompany funding loans, non-functional currency denominated accounts receivable and non-functional currency denominated accounts payable. These transactions are not designated as hedging instruments and are accounted for as derivatives whereby the fair value of the contracts is reported as either assets or liabilities on our Condensed Consolidated Balance Sheets, and gains and losses resulting from changes in the fair value are reported in Interest and other, net, in our Condensed Consolidated Statements of Operations. We do not enter into derivative financial contracts for speculative or trading purposes.

At **June 30, 2024** **September 30, 2024**, we had **\$247.2** **\$332.6** of forward contracts outstanding to sell foreign currencies in exchange for U.S. dollars and **\$124.8** **\$156.9** of forward contracts outstanding to buy foreign currencies in exchange for U.S. dollars, all of which have maturities of less than one year. At March 31, 2024, we had \$243.0 of forward contracts outstanding to sell foreign currencies in exchange for U.S. dollars and \$72.2 of forward contracts outstanding to buy foreign currencies in exchange for U.S. dollars, all of which had maturities of less than one year. For the three months ended **June 30, 2024** **September 30, 2024** and 2023, we recorded a loss of \$3.3 and a gain of \$3.6, respectively, related to foreign currency forward contracts in Interest and other, net on our Condensed Consolidated Statements of Operations. For the six months ended **September 30, 2024** and 2023, we recorded a gain of **\$3.5** **\$0.2** and a gain of **\$3.8** **\$7.4**, respectively, related to foreign currency forward contracts in Interest and other, net on our Condensed Consolidated Statements of Operations. As of **June 30, 2024** **September 30, 2024** and March 31, 2024, the fair value of these outstanding forward contracts were immaterial and

were included in Accrued expenses and other current liabilities. The fair value of these outstanding forward contracts is estimated based on the prevailing exchange rates of the various hedged currencies as of the end of the period.

Our hedging programs are designed to reduce, but do not entirely eliminate, the effect of currency exchange rate movements. We believe that the counterparties to these foreign currency forward contracts are creditworthy multinational commercial banks and that the risk of counterparty nonperformance is not material. Notwithstanding our efforts to mitigate some foreign currency exchange rate risks, there can be no assurance that our hedging activities will adequately protect us against the risks associated with foreign currency fluctuations, which may be more volatile as a result of the COVID-19 pandemic. For the three months ended **June 30, 2024** **September 30, 2024**, 38.7% 39.8% of our revenue was generated outside the United States. Using sensitivity analysis, a hypothetical 10% increase in the value of the U.S. dollar against all currencies would decrease revenues by 3.9% 4.0%, while a hypothetical 10% decrease in the value of the U.S. dollar against all currencies would increase revenues by 3.9% 4.0%. In our opinion, a substantial portion of this fluctuation would be offset by cost of revenue and operating expenses incurred in local currency.

#### **Item 4. Controls and Procedures**

##### *Evaluation of Disclosure Controls and Procedures*

Based on an evaluation under the supervision and with the participation of management, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures as defined in rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act") were effective as of the end of the period covered by this report to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms and (ii) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

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

There were no changes in our internal control over financial reporting during the quarter ended **June 30, 2024** **September 30, 2024**, which were identified in connection with management's evaluation required by paragraph (d) of Rules 13a-15 and 15d-15 under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

On June 11, 2024, we acquired Gearbox. Our management plans to exclude Gearbox from its assessment of and report on internal control over financial reporting for the fiscal year ending March 31, 2025. We are currently in the process of incorporating the internal controls and procedures for Gearbox into our internal control over financial reporting for purposes of our assessment of and report on internal control over financial reporting for the fiscal year ending March 31, 2026.

##### *Limitations on Effectiveness of Controls and Procedures*

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Inherent limitations to any system of disclosure controls and procedures include, but are not limited to, the possibility of human error and the circumvention or overriding of such controls by one or more persons. In addition, we have designed our system of controls based on certain assumptions, which we believe are reasonable, about the likelihood of future events, and our system of controls may therefore not achieve its desired objectives under all possible future events.

## **PART II. OTHER INFORMATION**

#### **Item 1. Legal Proceedings**

Refer to [Note 11 - Commitments and Contingencies](#) to our Condensed Consolidated Financial Statements for disclosures regarding legal proceedings.

#### **Item 1A. Risk Factors**

There have been no material changes to the [Risk Factors](#) disclosed in Item 1A of our Annual Report on Form 10-K for the fiscal year ended March 31, 2024.

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

##### *Issuer Purchases of Equity Securities*

*Share Repurchase Program*—Our Board of Directors previously authorized the repurchase of up to 21.7 shares of our common stock. The authorizations permit us to purchase shares from time to time through a variety of methods, including in the open market or through privately negotiated transactions, in accordance with applicable securities laws. Repurchases are subject to the availability of stock, prevailing market conditions, the trading price of the stock, our financial performance and other conditions. The program may be suspended or discontinued at any time for any reason.

During the three months ended **June 30, 2024** **September 30, 2024**, we did not repurchase any shares of our common stock in the open market, as part of the program. As of **June 30, 2024** **September 30, 2024**, we had repurchased a total of 11.7 shares of our common stock under this program, and 10.0 shares of common stock remained available for repurchase under our share repurchase program. The table below details the share repurchases made by us during the three months ended **June 30, 2024** **September 30, 2024**:

Period	Shares purchased	Average price per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum number of shares that may yet be purchased under the repurchase program
April 1-30, 2024	—	\$ —	—	10.0
May July 1-31, 2024	—	\$ —	—	10.0
June August 1-31, 2024	—	\$ —	—	10.0
September 1-30, 2024	—	\$ —	—	10.0

## Item 5. Other Information

### Securities Trading Plans of Directors and Executive Officers

Our Section 16 officers and directors, as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934 (the "Exchange Act"), may from time to time enter into plans for the purchase or sale of our common stock that are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act. During the quarter ended **June 30, 2024** **September 30, 2024**, no Section 16 officer or director, as defined in Rule 16a-1(f), adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as defined in Item 408 of Regulation S-K.

## Item 6. Exhibits

### Exhibits:

- 4.1 [Seventh Supplemental Indenture, dated as of June 12, 2024, between the Company and The Bank of New York Mellon, as Trustee \(incorporated by reference to Exhibit 4.1 of the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 12, 2024\).](#)
- 4.2 [Eighth Supplemental Indenture, dated as of June 12, 2024, between the Company and The Bank of New York Mellon, as Trustee \(incorporated by reference to Exhibit 4.2 of the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 12, 2024\).](#)
- 4.3 [Form of Global Note representing 5.400% Senior Notes due 2029 \(included as part of Exhibit 4.1\) \(incorporated by reference to Exhibit 4.3 of the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 12, 2024\).](#)
- 4.4 [Form of Global Note representing 5.600% Senior Notes due 2034 \(included as part of Exhibit 4.2\) \(incorporated by reference to Exhibit 4.4 of the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 12, 2024\).](#)
- 10.1 [Restricted Unit Agreement, dated as of June 3, 2024, by and between Take-Two Interactive Software, Inc. and ZMC Advisors, L.P. \(incorporated by reference to Exhibit 10.2 of the Company's Registration Statement on Form S-3 ASR filed with the Securities and Exchange Commission on June 3, 2024\).](#)
- 10.2 [Amendment No. 1 to Credit Agreement, dated as of May 14, 2024, by and among Take-Two Interactive Software, Inc., and JPMorgan Chase Bank, N.A. \(incorporated by reference to Exhibit 10.38 of the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on May 22, 2024\).](#)
- 10.3 [Amendment No. 2 to Credit Agreement, dated as of June 6, 2024, by and among Take-Two Interactive Software, Inc., JPMorgan Chase Bank, N.A. and the Lender parties thereto.](#)

31.1 [Chief Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)

31.2 [Chief Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#)

32.1 [Chief Executive Officer Certification pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)

32.2 [Chief Financial Officer Certification pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002](#)

101.INS The Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

101.SCH Inline XBRL Taxonomy Extension Schema Document

101.CAL Inline XBRL Taxonomy Calculation Linkbase Document

101.LAB Inline XBRL Taxonomy Label Linkbase Document

101.PRE Inline XBRL Taxonomy Presentation Linkbase Document

101.DEF Inline XBRL Taxonomy Extension Definition Document

Attached as Exhibit 101 to this report are the following formatted in Inline XBRL (Extensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets at **June 30, 2024** **September 30, 2024** (Unaudited) and March 31, 2024, (ii) Condensed Consolidated Statements of Operations for the three and six months ended **June 30, 2024** **September 30, 2024** and 2023 (Unaudited), (iii) Condensed Consolidated Statements of Comprehensive Loss for the three and six months ended **June 30, 2024** **September 30, 2024** and 2023 (Unaudited), (iv) Condensed Consolidated Statements of Cash Flows for the **three six** months ended **June 30, 2024** **September 30, 2024** and 2023 (Unaudited), (v) Condensed Consolidated Statements of Equity for the three and six months ended **June 30, 2024** **September 30, 2024** and 2023 (Unaudited); and (vi) Notes to Condensed Consolidated Financial Statements (Unaudited).

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly

### TAKE-TWO INTERACTIVE SOFTWARE, INC.

(Registrant)

Date: **August 8, November 6, 2024**

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

/s/ STRAUSS ZELNICK

Strauss Zelnick

*Chairman and Chief Executive Officer*

*(Principal Executive Officer)*

Date: **August 8, November 6, 2024**

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

/s/ LAINIE GOLDSTEIN

Lainie Goldstein

*Chief Financial Officer*

*(Principal Financial Officer)*

authorized.

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**Exhibit 10.3**

**Execution Version**

This **AMENDMENTNO. 2** (this **"Amendment"**), dated as of June 6, 2024, is entered into by and among Take-Two Interactive Software, Inc., a Delaware corporation (the **"Borrower"**), JPMORGAN CHASE BANK, N.A. ("JPMCB"), as Administrative Agent (in such capacity, the **"Administrative Agent"**) and the Lenders party hereto.

**WHEREAS**, the Borrower, the financial institutions party thereto as Lenders and the Administrative Agent are party to that certain the Credit Agreement dated as of May 23, 2022 (as amended, supplemented or otherwise modified from time to time prior to the date hereof, the **"Existing Credit Agreement"** and as amended by this Amendment, the **"Credit Agreement"**) (capitalized terms used herein without definition have the meanings given such terms by the Existing Credit Agreement);

**WHEREAS**, the Borrower, the Administrative Agent and Lenders constituting the Required Lenders have agreed to amend the Existing Credit Agreement on the terms set forth herein;

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

**SECTION 1. Defined Terms.** Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Credit Agreement.

**SECTION 2. Amendments to Existing Credit Agreement.** Effective as of the Amendment No. 2 Effective Date (as defined below), the Existing Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: **stricken text**) and to add the double-underlined text (indicated textually in the same manner as the following example: **double-underlined text**) as set forth in the conformed copy of the Credit Agreement attached as Exhibit A hereto. For the avoidance of doubt, the occurrence of the Amendment No. 1 Effective Date (as defined in that certain Amendment No. 1, dated as of May 14, 2024, to the Existing Credit Agreement by and between the Borrower and the Administrative Agent) will not affect the effectiveness of the amendments set forth in Exhibit A if the Amendment No. 2 Effective Date has occurred and such amendments shall continue to be effective following the Amendment No. 1 Effective Date.

**SECTION 3. Amendment No. 2 Effective Date.** This Amendment shall become effective as of the first date (the **"Amendment No. 2 Effective Date"**) on which the Administrative Agent shall have received a counterpart signature page of this Amendment duly executed by the Borrower, the Administrative Agent and Lenders constituting the Required Lenders.

**SECTION 4. Representations and Warranties.** To induce the Administrative Agent to enter into this Amendment, the Borrower hereby represents and warrants to the other parties hereto on the Amendment No. 2 Effective Date that:

(a) (i) the execution, delivery and performance by the Borrower of this Amendment is within the Borrower's corporate power and has been duly authorized by all necessary corporate action of the Borrower; and (ii) this Amendment has been duly executed and delivered by the Borrower and is a legal, valid

and binding obligation of the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting

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creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

(b) the execution, delivery and performance of this Amendment by the Borrower (i) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect, (ii) will not violate (A) the charter, by-laws or other organizational documents of the Borrower, or (B) any law or regulation applicable to the Borrower or any of its Subsidiaries and (iii) will not violate or result in a default under any indenture or other agreement or instrument binding upon the Borrower or any of its Subsidiaries or their respective assets, or give rise to a right thereunder to require any payment, repurchase or redemption to be made by the Borrower or any of its Subsidiaries, or give rise to a right of, or result in, termination, cancellation or acceleration of any obligation thereunder; and

(c) The representations and warranties of the Borrower set forth in Article III of the Existing Credit Agreement are true and correct in all material respects (except that any representation and warranty that is qualified by materiality or Material Adverse Effect is true and correct in all respects) on and as of the Amendment No. 2 Effective Date except, in each case, to the extent such representation and warranty specifically refer to an earlier date, in which case it was true and correct in all material respects (except that any representation and warranty that is qualified by materiality or Material Adverse Effect was true and correct in all respects) as of such earlier date

#### **SECTION 5. Effect of Amendment.**

(a) Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the Administrative Agent under the Existing Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other provision of the Existing Credit Agreement or of any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle the Borrower to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document in similar or different circumstances, except as expressly set forth herein.

(b) From and after the Amendment No. 2 Effective Date each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import, and each reference to the "Credit Agreement" in any other Loan Document shall be deemed a reference to the Credit Agreement as amended hereby.

(c) This Amendment shall constitute a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

(d) Notwithstanding anything contained herein, the terms of this Amendment shall not constitute a novation of the Existing Credit Agreement or any other Loan Documents and are not intended to and do not serve to effect a novation of the obligations outstanding under the Existing Credit Agreement or instruments guaranteeing or securing the same, which instruments shall remain and continue in full force and effect. The parties hereto expressly do not intend to extinguish the Existing

Credit Agreement. Instead, it is the express intention of the parties hereto to reaffirm the indebtedness created under the Existing Credit Agreement. The Existing Credit Agreement (as amended hereby) and each of the Loan Documents remain in full force and effect.

**SECTION 6. Expenses.** (a) The Borrower agrees to reimburse the Administrative Agent for its reasonable and documented out-of-pocket expenses incurred by it in connection with this Amendment, including the reasonable and documented fees, charges and disbursements of Latham & Watkins LLP, counsel for the Administrative Agent.

(b) The provisions of Section 9.03 of the Credit Agreement are otherwise incorporated herein by reference, *mutatis mutandis*.

**SECTION 7. Amendments; Severability.** (a) Once effective, this Amendment may not be amended nor may any provision hereof be waived except pursuant to Section 9.02 of the Credit Agreement.

(b) If any provision of this Amendment is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Amendment shall not be affected or impaired thereby. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

**SECTION 8. GOVERNING LAW; Waiver of Jury Trial; Jurisdiction.** **THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.** The provisions of Sections 9.09 and 9.10 of the Credit Agreement are incorporated herein by reference, *mutatis mutandis*.

**SECTION 9. Headings.** Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Amendment.

**SECTION 10. Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by facsimile or other electronic imaging means of an executed counterpart of a signature page to this Amendment shall be effective as delivery of an original executed counterpart of this Amendment. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment and/or any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), electronic 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. As used herein, "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record.

*[Remainder of page intentionally left blank]*

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

TAKE-TWO INTERACTIVE SOFTWARE, INC., as  
Borrower

By: Isi Matthew Breitman  
Name: Matthew Breitman  
Title: SVP, General Counsel Americas and  
Corporate Secretary

**JPMORGAN CHASE BANK, N.A.**  
as Administrative Agent and a Lender

By: /s/ Christine Lathrop  
Name: Christine Lathrop  
Title: Executive Director

**BNP Paribas**,  
as a Lender

By: /s/ Maria Mulic  
Name: Maria Mulic  
Title: Managing Director

By: /s/ Jonathan Lasner  
Name: Jonathan Lasner  
Title: Director

**BANK OF AMERICA, N.A.**,  
as a Lender

By: /s/ Erhlich Bautista  
Name: Erhlich Bautista  
Title: Director

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**Goldman Sachs Bank USA,**

as a Lender

By: /s/ Dan Martis

Name: Dan Martis

Title: Authorized Signatory

[Signature Page to Amendment No. 2]

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**HSBC Bank USA, National Association,**

as a Lender

By: /s/ Mackenzie Wood

Name: Mackenzie Wood

Title: Senior Vice President #23666

[Signature Page to Amendment No. 2]

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**WELLS FARGO BANK, N.A.,**

as a Lender

By: /s/ Devin Reasons

Name: Devin Reasons

Title: Executive Director

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Exhibit A

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CREDIT AGREEMENT

dated as of

May 23, 2022

among

TAKE-TWO INTERACTIVE SOFTWARE, INC.

The Lenders Party Hereto

JPMORGAN CHASE BANK, N.A.  
as Administrative Agent

JPMORGAN CHASE BANK, N.A., WELLS FARGO SECURITIES, LLC, BOFA SECURITIES, INC. and BNP PARIBAS,  
as Joint Lead Arrangers and Joint Bookrunners

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Syndication Agent



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- Exhibit C – Form of Augmenting Lender Supplement
- Exhibit D – List of Closing Documents
- Exhibit E – Form of Compliance Certificate
- Exhibit F-1 – Form of U.S. Tax Certificate (Foreign Lenders That Are Not Partnerships)
- Exhibit F-2 – Form of U.S. Tax Certificate (Foreign Participants That Are Not Partnerships)
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- Exhibit G-1 – Form of Borrowing Request
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CREDIT AGREEMENT (this "Agreement") dated as of May 23, 2022 among TAKE-TWO INTERACTIVE SOFTWARE, INC., the LENDERS from time to time party hereto, and JPMORGAN CHASE BANK, N.A. ("JPMCB"), as Administrative Agent.

The parties hereto agree as follows:

Article I  
Definitions

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

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

"Acquired EBITDA" means with respect to any Acquired Entity or Business for any period, the amount for such period of Consolidated Adjusted EBITDA of such Acquired Entity or Business (determined as if references to the Borrower and the Subsidiaries in the definition of the term "Consolidated Adjusted EBITDA" (and in the component financial definitions used therein) were references to such Acquired Entity or Business and its subsidiaries that will become Subsidiaries), on a consolidated basis for such Acquired Entity or Business in accordance with GAAP as determined in good faith by the Borrower.

"Acquired Entity or Business" has the meaning assigned to such term in the definition of "Consolidated Adjusted EBITDA".

**"Adjusted Daily Simple RFR"** means, (i) with respect to any RFR Borrowing denominated in Sterling, an interest rate per annum equal to (a) the Daily Simple RFR for Sterling, *plus* (b) 0.0326%, (ii) with respect to any RFR Borrowing denominated in Dollars, an interest rate per annum equal to (a) the Daily Simple RFR for Dollars, *plus* (b) 0.10% and (iii) with respect to any RFR Borrowing denominated in Canadian dollars, an interest rate per annum equal to (a) the Daily Simple RFR for Canadian dollars, *plus* (b) 0.29547%; *provided that* if the Adjusted Daily Simple RFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

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

**"Adjusted Term CORRA Rate"** means, for purposes of any calculation, the rate per annum equal to (a) Term CORRA for such calculation *plus* (b) 0.29547% for a one month interest period or 0.32138% for a three month interest period; *provided that* if Adjusted Term CORRA Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

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**"Adjusted Term SOFR Rate"** means, with respect to any Term Benchmark Borrowing denominated in Dollars for any Interest Period, an interest rate per annum equal to (a) the Term SOFR Rate for such Interest Period, *plus* (b) 0.10%; *provided that* if the Adjusted Term SOFR Rate as so determined would be less than the Floor, such rate shall be deemed to be equal to the Floor for the purposes of this Agreement.

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

**"Administrative Questionnaire"** means an Administrative Questionnaire in a form supplied by the Administrative Agent.

**"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 through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

**"Agent-Related Person"** has the meaning assigned to it in Section 9.03(b).

**"Aggregate Commitment"** means the aggregate of the Commitments of all of the Lenders, as reduced or increased from time to time pursuant to the terms and conditions hereof. As of the Effective Date, the Aggregate Commitment is \$500,000,000.

**"Agreed Currencies"** means (i) Dollars, (ii) Euro, (iii) Pounds Sterling, (iv) Canadian Dollars and (v) any additional currencies determined after the Effective Date by mutual agreement of the Borrower, the Lenders, the Issuing Banks and the Administrative Agent (each, an **"Agreed Currency"**); *provided that* each such currency is a lawful currency that is readily available, freely transferable and not restricted and able to be converted into Dollars.

**"Agreement"** has the meaning specified in introductory paragraph hereof.

**"Alternate Base Rate"** means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus  $\frac{1}{2}$  of 1% and (c) the Adjusted Term SOFR Rate for a one month Interest Period as published two U.S. Government Securities Business Days prior to such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%; *provided that* for the purpose of this definition, the Adjusted Term SOFR Rate for any day shall be based on the Term SOFR Reference Rate at approximately 5:00 a.m. Chicago time on such day (or any amended publication time for the Term SOFR Reference Rate, as specified by the Term SOFR Administrator in the Term SOFR Reference Rate methodology). Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted Term SOFR Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 (for the avoidance of doubt, only until the Benchmark Replacement has been determined pursuant to Section 2.14(b)), then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as determined pursuant to the foregoing would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

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"Ancillary Document" has the meaning assigned to it in Section 9.06(b).

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery or corruption, including, as applicable, (i) the United States Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder and (ii) the U.K. Bribery Act 2010, as amended, and the rules and regulations thereunder.

"Applicable Percentage" means, with respect to any Lender, the percentage of the Aggregate Commitment represented by such Lender's Commitment; provided that, in the case of Section 2.22 when a Defaulting Lender shall exist, "Applicable Percentage" shall mean the percentage of the Aggregate Commitment (disregarding any Defaulting Lender's Commitment) represented by such Lender's Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments and to any Lender's status as a Defaulting Lender at the time of determination.

"Applicable Rate" means, for any day, with respect to any Term Benchmark Loan, RFR Loan or any ABR Loan or with respect to the commitment fees payable hereunder, as the case may be, the applicable rate per annum set forth below under the caption "Term Benchmark Spread", "RFR Spread", "ABR Spread" or "Commitment Fee Rate", as the case may be, based upon the Credit Rating applicable on such date:

	<u>Credit Ratings</u> (Moody's/S&P):	<u>Term Benchmark</u> Spread	<u>RFR</u> Spread	<u>ABR</u> Spread	<u>Commitment Fee Rate</u>
<u>Category 1:</u>	≥ A3/A-	1.000%	1.000%	0.0%	0.075%
<u>Category 2:</u>	Baa1/BBB+	1.125%	1.125%	0.125%	0.125%
<u>Category 3:</u>	Baa2/BBB	1.250%	1.250%	0.250%	0.175%
<u>Category 4:</u>	Baa3/BBB-	1.375%	1.375%	0.375%	0.225%
<u>Category 5:</u>	< Ba1/BB+	1.625%	1.625%	0.625%	0.275%

For purposes of the foregoing, (x) if the Credit Rating established or deemed to have been established by Moody's and S&P shall fall within different Categories, the Commitment Fee Rate, Term Benchmark Spread, RFR Spread and ABR Spread shall each be based on the Category in which the higher rating falls; provided that if there is a split in Credit Rating of more than one Category, the Category that is one level lower than the Category of the higher Credit Rating shall apply, (y) if the Borrower does not have

any Credit Rating, Category 5 shall apply and (z) if the Credit Rating established or deemed to have been established by Moody's or S&P shall be changed (other than as a result of a change in the rating system of Moody's or S&P), such change shall be effective on the earlier of the date on which such change is publicly announced and the date on which the Borrower or any of its Subsidiaries receives written notice of such change. Each change in the Commitment Fee Rate, Term Benchmark Spread, RFR Spread and ABR Spread shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change.

If the rating system of Moody's or S&P shall change, or if either rating agency shall cease to be in the business of providing issuer or long-term debt ratings, as the case may be, the Borrower and the Administrative Agent shall negotiate in good faith to amend this definition of "Applicable Rate" to reflect such changed rating system or the unavailability of ratings from such rating agency and, pending the effectiveness of any such amendment, the Commitment Fee Rate, Term Benchmark Spread, RFR Spread and ABR Spread shall each be based on the ratings most recently in effect prior to such changes or cessations.

Initially, as of the Effective Date, the Applicable Rate shall be based upon the Credit Ratings applicable to Category 3.

"Approved Electronic Platform" has the meaning assigned to it in Section 9.01(d).

"Approved Fund" has the meaning assigned to such term in Section 9.04.

"Arranger" means each of JPMorgan Chase Bank, N.A., Wells Fargo Securities, LLC, BofA Securities, Inc. and BNP Paribas, in each case in its capacity as joint lead arranger and joint bookrunner hereunder.

"Assignment and Assumption" means an assignment and assumption agreement entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form (including electronic records generated by the use of an electronic platform) approved by the Administrative Agent.

"Attributable Debt" means, with respect to any Sale and Leaseback Transaction, the present value (discounted at the rate set forth or implicit in the terms of the lease included in such Sale and Leaseback Transaction) of the total obligations of the lessee for rental payments (other than amounts required to be paid on account of taxes, maintenance, repairs, insurance, assessments, utilities, operating and labor costs and other items that do not constitute payments for property rights) during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended). In the case of any lease that is terminable by the lessee upon payment of a penalty, the Attributable Debt shall be the lesser of the Attributable Debt determined assuming termination on the first date such lease may be terminated (in which case the Attributable Debt shall also include the amount of the penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated) or the Attributable Debt determined assuming no such termination.

"Augmenting Lender" has the meaning assigned to such term in Section 2.20.

"Audited Financial Statements" has the meaning assigned to such term in Section 3.04(a).

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"Availability Period" means the period from and including the Effective Date to but excluding the earlier of the Maturity Date and the date of termination of the Commitments.

"Available Commitment" means, at any time with respect to any Lender, the Commitment of such Lender then in effect minus the Revolving Credit Exposure of such Lender at such time.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark for any Agreed Currency, as applicable, any tenor for such Benchmark (or component thereof) or payment period for interest calculated with reference to such Benchmark (or component thereof), as applicable, that is or may be used for determining the length of an Interest Period for any term rate or otherwise, for determining any frequency of making payments of interest calculated pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to clause (e) of Section 2.14.

"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).

**"Banking Services"** means each and any of the following bank services provided to the Borrower or any Subsidiary by any Lender or any of its Affiliates: (a) credit cards for commercial customers (including, without limitation, commercial credit cards and purchasing cards), (b) stored value cards and (c) treasury management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, overdrafts and interstate depository network services).

**"Banking Services Agreement"** means any agreement entered into by the Borrower or any Subsidiary in connection with Banking Services.

**"Bankruptcy Event"** means, with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person 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 Person (or such

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Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

**"Benchmark"** means, initially, with respect to any (i) Term Benchmark Loan for any Agreed Currency, the applicable Relevant Rate for such Agreed Currency or (ii) RFR Loan in any Agreed Currency, the applicable Relevant Rate for any Agreed Currency; provided that if a Benchmark Transition Event or a Term CORRA Reelection Event, and the related Benchmark Replacement Date have occurred with respect to the applicable Relevant Rate or the then-current Benchmark for any Agreed Currency, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to clause (b) of Section 2.14.

**"Benchmark Replacement"** means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date; provided that, in the case of any Loan denominated in a Foreign Currency (other than any Loan denominated in Canadian Dollars), "Benchmark Replacement" shall mean the alternative set forth in (2) below:

(1) (x) in the case of any Loan denominated in Dollars, the Adjusted Daily Simple SOFR and (y) in the case of any Loan denominated in Canadian Dollars, the Adjusted Daily Simple RFR for Canadian Dollars;

(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 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 for the then-current Benchmark for syndicated credit facilities denominated in the applicable Agreed Currency at such time in the United States and (b) the related Benchmark Replacement Adjustment;

provided that notwithstanding anything to the contrary in this Agreement or in any other Loan Document, upon the occurrence of a Term CORRA Reelection Event, and the delivery of a Term CORRA Notice, on the applicable Benchmark Replacement Date the "Benchmark Replacement" shall revert to and shall be deemed to be the Adjusted Term CORRA Rate.

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 for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date and/or (ii) any evolving or then-prevailing market

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convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for syndicated credit facilities denominated in the applicable Agreed Currency at such time.

**Benchmark Replacement Conforming Changes** means, with respect to any Benchmark Replacement and/or any Term Benchmark Loan denominated in Dollars or Canadian Dollars, any technical, administrative or operational changes (including changes to the definition of "Alternate Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "RFR Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

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

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date; or

(3) in the case of a Term CORRA Reelection Event, the date that is thirty (30) days after the date a Term CORRA Notice (if any) is provided to the Lenders and the Borrower pursuant to Section 2.14(c).

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

**Benchmark Transition Event** means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

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

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

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

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

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

"Beneficial Ownership Certification" means a certification regarding beneficial ownership or control 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".

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"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.

"Borrower" means Take-Two Interactive Software, Inc., a Delaware corporation or any successor thereto as required by Section 6.04.

"Borrowing" means Loans of the same Type, made, converted or continued on the same date and, in the case of Term Benchmark Loans, as to which a single Interest Period is in effect.

"Borrowing Request" means a request by the Borrower for a Borrowing in accordance with Section 2.03 in the form attached hereto as Exhibit G-1 or any other form approved by the Administrative Agent.

"Business Day" means, any day (other than a Saturday or a Sunday) on which banks are open for business in New York City or Chicago; provided that, (a) in relation to Loans denominated in Sterling, any day (other than a Saturday or a Sunday) on which banks are open for business in London, (b) in relation to Loans denominated in Euros and in relation to the calculation or computation of EURIBOR, any day which is a TARGET Day, (c) if such day relates to any Loans denominated in Canadian Dollars or payment or purchase of Canadian Dollars and in relation to the calculation or computation of CORRA, any day except Saturday, Sunday on which banks are open for business in Canada and (d) in relation to RFR Loans and any interest rate settings, fundings, disbursements, settlements or payments of any such RFR Loan, or any other dealings in the applicable Agreed Currency of such RFR Loan, any such day that is only an RFR Business Day.

"Canadian Dollars" means the lawful currency of Canada.

"Canadian Prime Rate" means, on any day, the rate determined by the Administrative Agent to be the rate equal to the PRIMCAN Index rate that appears on the Bloomberg screen at 10:15 a.m. Toronto time on such day (or, in the event that the PRIMCAN Index is not published by Bloomberg, any other

information services that publishes such index from time to time, as selected by the Administrative Agent in its reasonable discretion); provided, that if any the above rate shall be less than 0%, such rate shall be deemed to be 0% for purposes of this Agreement. Any change in the Canadian Prime Rate due to a change in the PRIMCAN Index shall be effective from and including the effective date of such change in the PRIMCAN Index.

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

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

"Central Bank Rate" means, (A) the greater of (i) for any Loan denominated in (a) 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

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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, (c) Canadian Dollars, the Canadian Prime Rate and (d) any other Alternative Currency determined after the Effective 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 Adjusted EURIBOR Rate for the five most recent Business Days preceding such day for which the EURIBOR Screen Rate was available (excluding, from such averaging, the highest and the lowest Adjusted EURIBOR Rate applicable during such period of five Business Days) minus (ii) the Central Bank Rate in respect of Euro in effect on the last Business Day in such period, (b) Sterling, a rate equal to the difference (which may be a positive or negative value or zero) of (i) the average of Adjusted 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 Adjusted 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 Alternative Currency determined after the Effective 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 Agreed Currency for a maturity of one month.

"Change in Control" means the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), of Equity Interests representing more than a majority of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Borrower.

"Change in Law" means the occurrence, after the date of this Agreement (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rules, guideline, requirement or directive (whether or not having the force of law) by any Governmental Authority; provided however, that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines, requirements and 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, shall in each case be deemed to be a "Change in Law" regardless of the date enacted, adopted, issued or implemented.

"Code" means the Internal Revenue Code of 1986, as amended.

**"Combination"** means (i) the merger of Zebra MS I, Inc., a Delaware corporation and a direct, wholly owned Subsidiary of the Borrower, with and into Zynga, with Zynga continuing as the surviving corporation and (ii) the merger immediately following consummation of the foregoing of Zynga with and into Zebra MS II, Inc., a Delaware corporation and a direct, wholly owned Subsidiary of the Borrower, with Zebra MS II, Inc. continuing as the surviving corporation and a wholly owned Subsidiary of the Borrower.

**"Commitment"** means, with respect to each Lender, the commitment of such Lender to make Loans and to acquire participations in Letters of Credit hereunder, expressed as an amount representing the maximum aggregate amount of such Lender's Revolving Credit Exposure hereunder, as such commitment may be (a) reduced or terminated from time to time pursuant to Section 2.09, (b) increased from time to time pursuant to Section 2.20 and (c) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04. The initial amount of each Lender's Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption or other documentation contemplated hereby pursuant to which such Lender shall have assumed its Commitment, as applicable.

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

**"Communications"** has the meaning assigned to such term in Section 9.01(d).

**"Compliance Certificate"** means a certificate of a Financial Officer of the Borrower substantially in the form attached as Exhibit E.

**"Computation Date"** is defined in Section 2.04.

**"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.

**"Consenting Lender"** has the meaning assigned to such term in Section 2.23.

**"Consolidated Adjusted EBITDA"** means, for any period, Consolidated Net Income for such period plus, without duplication and to the extent deducted in determining Consolidated Net Income for such period, the sum of (a) expenses paid or accrued for taxes based on income, profits or capital, including federal, foreign and state income, franchise and similar taxes, (b) interest expense, amortization or write-off of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness (including the Loans), (c) depreciation and amortization expense, (d) amortization of intangibles (including, but not limited to, goodwill) and organization costs, (e) any unusual, infrequent, extraordinary or non-recurring charges, expenses or losses, (f) non-cash stock option and other equity-based compensation expenses, (g) any other non-cash charges, non-cash expenses or non-cash losses of the Borrower or any Subsidiaries for such period (excluding any such charge, expense or loss incurred in the ordinary course of business that constitutes an accrual of, or a reserve for, cash charges for any future period), (h) any losses from an early extinguishment of indebtedness, (i) any unrealized losses (or *minus* any unrealized gains) in respect of Swap Agreements, (j) any foreign exchange losses (or *minus* any foreign exchange gains), (k) to the extent actually reimbursed in cash, expenses incurred to the extent covered by indemnification provisions in any agreement in connection with any acquisition, (l) acquisition-related expenses (including, but not limited to, intangibles, goodwill and contingent consideration), whether or not such acquisition is successful, (m) transaction fees, costs

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and expenses related to any issuance of equity securities, whether or not successful, (n) restructuring, integration and related charges (which for the avoidance of doubt, shall include retention, severance, systems establishment costs, contract termination costs, including future lease commitments, and costs to consolidate facilities and relocate employees), (o) non-recurring litigation expenses, (p) losses (or gains) on strategic investments, (q) losses on discontinued licensed intellectual property commitments, (r) other adjustments, exclusions and add-backs consistent with Regulation S-X of the SEC, (s) other addbacks and adjustments set forth in the Models, and (t) the amount of any "run rate" synergies, operating expense reductions and other net cost savings and integration costs, in each case projected by the Borrower in connection with acquisitions, asset dispositions (including the termination or discontinuance of activities constituting such business) and/or other operating improvement, restructuring, cost savings initiative or other similar initiative taken after the Effective Date that have been consummated during the most recently completed four consecutive fiscal quarters of the Borrower for which financial statements have been delivered pursuant to Section 5.01(a) or (b),

as applicable (calculated on a pro forma basis as though such synergies, expense reductions and cost savings had been realized on the first day of the period for which Consolidated EBITDA is being determined), net of the amount of actual benefits realized during such period from such actions; provided that (x) such synergies, expense reductions and cost savings are reasonably identifiable, factually supportable, expected to have a continuing impact on the operations of the Borrower and its Subsidiaries and have been determined by the Borrower in good faith to be reasonably anticipated to be realizable within 18 months following any such action as set forth in reasonable detail on a certificate of a Financial Officer of the Borrower delivered to the Administrative Agent, (y) no such amounts shall be added pursuant to this clause (t) to the extent duplicative of any expenses or charges otherwise added to Consolidated EBITDA, whether through a pro forma adjustment or otherwise and (z) the aggregate amount added pursuant to this clause (t) for any period shall in no event exceed 15% of Consolidated EBITDA for such period (calculated after giving effect to any such add-backs pursuant to this clause (t)), and minus, to the extent included in the statement of such Consolidated Net Income for such period, the sum of (1) interest income, (2) any extraordinary income or gains determined in accordance with GAAP and (3) any other non-cash income (excluding any items that represent the reversal of any accrual of, or cash reserve for, anticipated cash charges in any prior period), all as determined on a consolidated basis; provided, however, that (i) increases in deferred revenue for such period shall be added back to Consolidated Net Income in calculating Consolidated Adjusted EBITDA for such period, (ii) decreases in deferred revenue for such period shall be subtracted from Consolidated Net Income in calculating Consolidated Adjusted EBITDA for such period, (iii) cash payments made in such period in respect of non-cash charges, expenses or losses added back to Consolidated Adjusted EBITDA in a prior period shall be subtracted from Consolidated Net Income in calculating Consolidated Adjusted EBITDA in the period when such cash payment is made, (iv) there shall be included in determining Consolidated Adjusted EBITDA for any period, without duplication, the Acquired EBITDA of any Person, property, business or asset acquired by the Borrower or any Subsidiary during such period to the extent not subsequently sold, transferred or otherwise disposed of during such period (but not including the Acquired EBITDA of any related Person, property, business or assets to the extent not so acquired) (each such Person, property, business or asset acquired, including pursuant to a transaction consummated prior to the Effective Date, and not subsequently sold, transferred or otherwise disposed of, an "Acquired Entity or Business"), in each case based on the Acquired EBITDA of such Acquired Entity or Business for such period (including the portion thereof occurring prior to such acquisition or conversion) determined on a historical pro forma basis; provided that, at the election of the Borrower, such Acquired EBITDA adjustment shall not be required for any Acquired Entity or Business to the extent the aggregate consideration paid in connection therewith is less than \$1,000,000,000 per Acquired Entity or Business and (v) there shall be excluded in determining Consolidated Adjusted EBITDA for any period, without duplication, the Disposed EBITDA of any Person, property, business or

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asset sold, transferred or otherwise disposed of by the Borrower or any Subsidiary during such period (but not excluding the Disposed EBITDA of any related Person, property, business or assets to the extent not so disposed of) (each such Person, property, business or asset so sold, transferred or otherwise disposed of, a "Disposed Entity or Business"), based on the Disposed EBITDA of such Disposed Entity or Business for such period (including the portion thereof occurring prior to such sale, transfer, disposition or conversion) determined on a historical pro forma basis; provided that, at the election of the Borrower, such Disposed EBITDA adjustment shall not be required for any Disposed Entity or Business to the extent the aggregate consideration received in connection therewith is less than \$500,000,000 per Disposed Entity or Business.

"Consolidated Net Income" means, for any period, the net income or loss of the Borrower and its consolidated Subsidiaries for such period, determined on a consolidated basis in conformity with GAAP.

"Consolidated Total Assets" means, as of the date of any determination thereof, total assets of the Borrower and its Subsidiaries calculated in accordance with GAAP on a consolidated basis as of such date.

"Consolidated Total Indebtedness" means, as of the date of any determination thereof, the sum, without duplication and to the extent such Indebtedness would be required to appear as debt or indebtedness on a consolidated balance sheet of the Borrower, of (a) the aggregate Indebtedness of the Borrower and its Subsidiaries of the type described in clause (a), (b) or (g) of the definition of Indebtedness, calculated on a consolidated basis as of such time in accordance with GAAP, and (b) Indebtedness of the type referred to in clause (a) hereof of another Person guaranteed by the Borrower or any of its Subsidiaries; provided that for purposes of calculating the ratio of Consolidated Total Indebtedness to Consolidated Adjusted EBITDA set forth in Section 6.05, Consolidated Total Indebtedness shall be reduced by up to \$1,000,000,000 of cash and Permitted Investments on the consolidated balance sheet of the Borrower and its Subsidiaries on such date that does not appear as "restricted" on the consolidated balance sheet of the Borrower or such Subsidiary (unless such appearance is related to the Loan Documents).

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

**"Convertible Debt Security"** means debt securities, the terms of which provide for conversion into Equity Interests, cash by reference to such Equity Interests or a combination thereof.

**"CORRA"** means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

**"CORRA Administrator"** means the Bank of Canada (or any successor administrator).

**"CORRA Determination Date"** has the meaning specified in the definition of "Daily Simple CORRA".

**"CORRA Rate Day"** has the meaning specified in the definition of "Daily Simple CORRA".

**"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.

**"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).

**"Covered Party"** has the meaning assigned to it in Section 9.18.

**"Credit Event"** means a Borrowing, the issuance, amendment, renewal or extension of a Letter of Credit, an LC Disbursement or any of the foregoing.

**"Credit Party"** means the Administrative Agent, any Issuing Bank or any other Lender.

**"Credit Rating"** means the ratings assigned by each of S&P and Moody's to the Borrower's long-term senior, unsecured debt (without any credit enhancement).

**"Daily Simple CORRA"** means, for any day (a "CORRA Rate Day"), a rate per annum equal to CORRA for the day (such day "CORRA Determination Date") that is five (5) RFR Business Days prior to (i) if such CORRA Rate Day is an RFR Business Day, such CORRA Rate Day or (ii) if such CORRA Rate Day is not an RFR Business Day, the RFR Business Day immediately preceding such CORRA Rate Day, in each case, as such CORRA is published by the CORRA Administrator on the CORRA Administrator's website. Any change in Daily Simple CORRA due to a change in CORRA shall be effective from and including the effective date of such change in CORRA without notice to the Borrower. If by 5:00 p.m. (Toronto time) on any given CORRA Determination Date, CORRA in respect of such CORRA Determination Date has not been published on the CORRA Administrator's website and a Benchmark Replacement Date with respect to the Daily Simple CORRA has not occurred, then CORRA for such CORRA Determination Date will be CORRA as published in respect of the first preceding RFR Business Day for which such CORRA was published on the CORRA Administrator's website, so long as such first preceding RFR Business Day is not more than five (5) Business Days prior to such CORRA Determination Date.

**"Daily Simple RFR"** means, for any day (an "RFR Interest Day"), an interest rate per annum equal to, for any RFR Loan denominated in (i) Sterling, SONIA for the day that is 4 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, (ii) Dollars, Daily Simple SOFR and (iii) Canadian Dollars, Daily Simple CORRA (following a Benchmark Transition Event and a Benchmark Replacement Date with respect to Term CORRA).

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

**"Default"** means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

**"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.

**"Defaulting Lender"** means any Lender that (a) has failed, within two (2) Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Borrower or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Loans and participations in then outstanding Letters of Credit under this Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party's receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d) has become the subject of (i) a Bankruptcy Event or (ii) a Bail-In Action.

**"Disclosure Letter"** means the disclosure letter, dated as of the date hereof, as amended or supplemented from time to time by Borrower with the written consent of the Administrative Agent (or as supplemented by the Borrower pursuant to the terms of this Agreement), delivered by Borrower to Administrative Agent for the benefit of the Lenders.

**"Disposed EBITDA"** means, with respect to any Disposed Entity or Business for any period through (but not after) the date of such disposition, the amount for such period of Consolidated Adjusted EBITDA of such Disposed Entity or Business (determined as if references to the Borrower and the Subsidiaries in the definition of the term "Consolidated Adjusted EBITDA" (and in the component financial definitions used therein) were references to such Disposed Entity or Business and its subsidiaries), on a consolidated basis for such Disposed Entity or Business in accordance with GAAP as determined in good faith by the Borrower.

**"Disposed Entity or Business"** has the meaning assigned to such term in the definition of the term "Consolidated Adjusted EBITDA".

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**"Dollar Amount"** of any currency at any date shall mean (i) the amount of such currency if such currency is Dollars or (ii) the Equivalent Amount thereof in Dollars if such currency is a Foreign Currency.

**"Dollars"** or **"\$"** refers to lawful money of the United States of America.

**"Domestic Subsidiary"** means a Subsidiary organized under the laws of the United States of America, 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 clause (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 the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

**"Effective Date Refinancing"** means (i) (x) the credit facility evidenced by the Existing Borrower Credit Agreement and (y) the credit facility evidenced by the Existing Zynga Credit Agreement, in each case, shall have been terminated and cancelled and all indebtedness thereunder shall have been fully repaid (and, in the case of the Existing Zynga Credit Agreement, any liens related thereto shall be released) and (ii) the Existing Zynga Notes Refinancing.

**"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.

**"Environmental Laws"** means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, or notices issued or promulgated by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Material or to employee health and safety matters.

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

**"Equity Interests"** means shares of capital stock, partnership interests, membership interests in a limited liability company, 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 of the foregoing. Notwithstanding the foregoing, and for the avoidance of doubt, (i) Convertible Debt Securities shall not for purposes of this definition be deemed to be an Equity Interest and (ii) Permitted Bond Hedges shall not for purposes of this definition be deemed to be an Equity Interest.

**"Equivalent Amount"** of any currency with respect to any amount of Dollars at any date shall mean the equivalent in such currency of such amount of Dollars, calculated on the basis of the Exchange Rate for such other currency at 11:00 a.m., London time, on the date on or as of which such amount is to be determined or, in the case of a calculation pursuant to Section 2.04, on or as of the most recent Computation Date provided for in Section 2.04.

**"ERISA"** means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

**"ERISA Affiliate"** means any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or Section 4001(a)(14) of ERISA 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 an event for which the 30-day notice period is waived); (b) the failure to satisfy the "minimum funding standard" (as defined in Section 412 of the Code or Section 302 of ERISA), 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 ERISA Affiliate 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 (including under Section 4062(e) of ERISA) of the Borrower or any of its ERISA Affiliates from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower or any ERISA Affiliate of any notice, concerning the imposition upon the Borrower or any of its ERISA Affiliates 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, or in endangered or critical status, within the meaning of Section 305 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.

**"Euro"** and **"€"** mean the single currency of the Participating Member States.

**"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.

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**"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. If such page or service ceases to be available, the Administrative Agent may specify another page or service displaying the relevant rate after consultation with the Borrower.

**"Event of Default"** has the meaning assigned to such term in Article VII.

**"Exchange Rate"** means, on any day, with respect to any Foreign Currency, the rate of exchange for the purchase of Dollars with the Agreed Currency last provided (either by publication or otherwise provided to the Administrative Agent) by the applicable Thompson Reuters Corp. ("Reuters") source on the Business Day (New York City time) immediately preceding the date of determination or if such service ceases to be available or ceases to provide a rate of exchange for the purchase of dollars with the Agreed Currency, as provided by such other publicly available information service which provides that rate of exchange at such time in place of Reuters reasonably chosen by the Administrative Agent and approved by the Borrower acting reasonably and in good faith (or if such service ceases to be available or ceases to provide such rate of exchange, any method of determination the Administrative Agent reasonably deems appropriate and approved by the Borrower acting reasonably and in good faith); provided, that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any reasonable method it deems appropriate and approved by the Borrower acting reasonably and in good faith to determine such rate, and such determination shall be conclusive absent manifest error.

**"Excluded Taxes"** means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (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 political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan, Letter of Credit or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the applicable Letter of Credit or Commitment or, if such Lender did not fund the applicable Loan pursuant to a prior Commitment, on the date such Lender acquires the applicable interest in such a Loan (other than pursuant to an assignment request by the Borrower under Section 2.19(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender acquired the applicable interest in a Loan, Letter of Credit or Commitment or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.17(f) and (d) any withholding Taxes imposed under FATCA.

**"Existing Letter of Credit"** means each letter of credit issued prior to the Effective Date by a Person that shall be an Issuing Bank and listed on Schedule 2.06.

**"Existing 2024 Convertible Notes"** means the 0.25% convertible senior notes due 2024 issued by Zynga in an aggregate principal amount of \$690,000,000.

**"Existing 2026 Convertible Notes"** means the 0.00% convertible senior notes due 2026 issued by Zynga in an aggregate principal amount of \$874,500,000.

**"Existing Borrower Credit Agreement"** means that certain Credit Agreement, dated as of February 8, 2019, by and among the Borrower, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent, as amended, modified, supplemented or restated prior to the date hereof.

**"Existing Maturity Date"** has the meaning assigned to such term in Section 2.23(a).

**"Existing Zynga Capped Calls"** means (x) the privately-negotiated capped call options among Zynga and certain swap counterparties with respect to the Existing 2024 Convertible Notes and (y) the privately-negotiated capped call options among Zynga and certain swap counterparties with respect to the Existing 2026 Convertible Notes.

**"Existing Zynga Credit Agreement"** means that certain Credit Agreement, dated as of December 11, 2020, by and among Zynga, the guarantors party thereto, the lenders party thereto and Bank of America, N.A., as administrative agent, as amended, modified, supplemented or restated prior to the date hereof.

**"Existing Zynga Notes"** means the Existing 2024 Convertible Notes and the Existing 2026 Convertible Notes.

**"Existing Zynga Notes Fundamental Change Conversion"** means any conversion of the Existing Zynga Notes by the respective holders thereof in connection with the Combination, together with any actions taken by Zynga as are necessary to effectuate the conversion into cash, shares of common stock of the Borrower, or such combination of cash and common stock of the Borrower, including any actions necessary to effectuate a corresponding termination of the Existing Zynga Capped Calls with respect to such conversion, in accordance with the indentures governing such series of Existing Zynga Notes and the letter agreements and other definitive documentation governing such Existing Zynga Capped Calls.

**"Existing Zynga Notes Fundamental Change Repurchase"** means the repurchase by Zynga, upon the receipt of any Fundamental Change Repurchase Notice (as defined in the indentures for each series of Existing Zynga Notes) by Zynga from holders of any series of Existing Zynga Notes in connection with the Combination, of such Existing Zynga Notes from the respective holders thereof in accordance with the terms and conditions of the indentures governing such series of Existing Zynga Notes.

**"Existing Zynga Notes Fundamental Change Settlement Date"** has the meaning assigned to such term in the definition of "Existing Zynga Notes Refinancing".

**"Existing Zynga Notes Refinancing"** means the payment by the Borrower of any cash consideration required in connection with (i) an exercise of any conversion with respect to the Existing Zynga Notes and any corresponding termination of the Existing Zynga Capped Calls (including, to the extent necessary, any additional cash consideration required to be delivered to holders of the Existing

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Zynga Notes with respect to a Make-Whole Fundamental Change (as defined in the indentures for each series of Existing Zynga Notes) or to swap counterparties of the Existing Zynga Capped Calls for any costs (including contingent costs) incurred in connection with any termination of the Existing Zynga Capped Calls, in each case, in connection with an Existing Zynga Notes Fundamental Change Conversion of the Existing Zynga Notes and, if applicable, termination of the Existing Zynga Capped Calls, and/or (ii) any repurchase made pursuant to a Fundamental Change Repurchase Notice (as defined in the indentures for each series of Existing Zynga Notes), in each case, no later than the date set forth in the indenture for each series of Existing Zynga Notes (each such date, the "Existing Zynga Notes Fundamental Change Settlement Date") (it being understood that the Existing Zynga Notes Fundamental Change Settlement Date may occur after the Effective Date and the Combination).

**"Extending Lender"** has the meaning assigned to such term in Section 2.23(b)(ii).

**"Extension Request"** means a written request from the Borrower to the Administrative Agent requesting an extension of the Maturity Date pursuant to Section 2.23.

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

**"Federal Funds Effective Rate"** means, for any day, the rate calculated by the NYFRB based on such day's federal funds transactions by depository institutions, as determined in such manner as shall be set forth on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

**"Federal Reserve Board"** means the Board of Governors of the Federal Reserve System of the United States of America.

**"Financial Officer"** means the chief financial officer, principal accounting officer, treasurer or controller of the Borrower.

**"Financials"** means the annual or quarterly financial statements, and accompanying certificates and other documents, of the Borrower and its Subsidiaries required to be delivered pursuant to Section 5.01(a) or 5.01(b).

**"Financing Lease Obligations"** of any Person means, an obligation that is required to be accounted for as a financing or capital lease (and, for the avoidance of doubt, 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 financing 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.

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**"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 the Adjusted Term SOFR Rate, the Adjusted Term CORRA Rate, the Adjusted EURIBOR Rate, each Adjusted Daily Simple RFR or the Central Bank Rate, as applicable. For the avoidance of doubt the initial Floor for each of the Adjusted Term SOFR Rate, the Adjusted Term CORRA Rate, the Adjusted EURIBOR Rate, each Adjusted Daily Simple RFR and the Central Bank Rate shall be 0.00%.

**"Foreign Currencies"** means Agreed Currencies other than Dollars.

**"Foreign Currency LC Exposure"** means, at any time, the sum of (a) the Dollar Amount of the aggregate undrawn and unexpired amount of all outstanding Foreign Currency Letters of Credit at such time plus (b) the aggregate principal Dollar Amount of all LC Disbursements in respect of Foreign Currency Letters of Credit that have not yet been reimbursed at such time.

**"Foreign Currency Letter of Credit"** means a Letter of Credit denominated in a Foreign Currency.

**"Foreign Currency Payment Office"** of the Administrative Agent shall mean, for each Foreign Currency, the office, branch, affiliate or correspondent bank of the Administrative Agent for such currency as specified from time to time by the Administrative Agent to the Borrower and each Lender.

**"Foreign Currency Sublimit"** means an amount equal to the lesser of (a) \$100,000,000 and (b) the total amount of the Commitments. The Foreign Currency Sublimit is part of, and not in addition to, the Commitments hereunder.

**"Foreign Lender"** means a Lender that is not a U.S. Person.

**"GAAP"** means generally accepted accounting principles in the United States of America as in effect from time to time.

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

**"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 or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and

including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other 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 guaranty issued to support such Indebtedness or obligation; provided, that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business or any indemnification obligations entered into in the ordinary course of business.

The amount of any

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Guarantee shall be deemed to be the lower of (i) an amount equal to the stated or determined amount of the primary obligation in respect of which such Guarantee is made and (ii) the maximum amount for which such guaranteee Person may be liable pursuant to the terms of the instrument embodying such Guarantee, or, if such Guarantee is not an unconditional guarantee of the entire amount of the primary obligation and such maximum amount is not stated or determinable, the amount of such guaranteee Person's maximum reasonably anticipated liability in respect thereof determined by such Person in good faith.

**"Hazardous Materials"** means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, friable asbestos, polychlorinated biphenyls, per- or polyfluoroalkyl substances, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

**"Increasing Lender"** has the meaning assigned to such term in Section 2.20.

**"Indebtedness"** of any Person means, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding (i) accounts payable incurred in the ordinary course of business and (ii) obligations which are being contested in good faith by appropriate proceedings and for which adequate reserves have been set aside in accordance with GAAP), (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (f) all Guarantees by such Person of Indebtedness of others, (g) all Financing Lease Obligations of such Person, (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, (i) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances and (j) all obligations of such Person under Sale and Leaseback Transactions. Notwithstanding anything to the contrary in the foregoing, in connection with any acquisition by the Borrower or any Subsidiary permitted hereunder (or any sale, transfer or other disposition by the Borrower or any Subsidiary permitted hereunder), the term "Indebtedness" shall not include contingent consideration to which the seller in such acquisition (or the buyer in such sale, transfer or other disposition, as the case may be) may become entitled or contingent indemnity obligations that may be owed to such seller (or buyer, if applicable) in respect thereof. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor. Notwithstanding the foregoing, and for the avoidance of doubt, obligations arising from Swap Agreements, including Permitted Bond Hedges, shall not be considered Indebtedness. Notwithstanding the foregoing, Indebtedness shall not include Non-Financing Lease Obligations or other obligations under or in respect of operating leases or Sale and Leaseback Transactions (except resulting in Financing Lease Obligations).

**"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) hereof, Other Taxes.

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**"Ineligible Institution"** has the meaning assigned to such term in Section 9.04(b).

**"Interest Election Request"** means a request by the Borrower to convert or continue a Borrowing in accordance with Section 2.08 in the form attached hereto as Exhibit G-2 or any other form approved by the Administrative Agent.

**"Interest Payment Date"** means (a) with respect to any ABR Loan, the last day of each March, June, September and December and the Maturity Date, (b) with respect to any RFR Loan, (1) each date that is on the numerically corresponding day in each calendar month that is one month after the Borrowing of such Loan (or, if there is no such numerically corresponding day in such month, then the last day of such month) and (2) the Maturity Date, and (c) with respect to any Term Benchmark Loan, the last day of each Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Term Benchmark Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period, and the Maturity Date.

**"Interest Period"** means with respect to any Term Benchmark Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter (in each case, subject to the availability for the Benchmark applicable to the relevant Loan or Commitment for any Agreed Currency, and provided that with respect to Loans denominated in Canadian Dollars, an Interest Period of six months shall not be available), as the Borrower may elect; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period and (iii) no tenor that has been removed from this definition pursuant to Section 2.14(e) shall be available for specification in such Borrowing Request or Interest Election Request. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made.

**"IRS"** means the United States Internal Revenue Service.

**"Issuing Bank"** means (i) each of JPMorgan Chase Bank, N.A., Wells Fargo Bank, National Association, Bank of America, N.A., and BNP Paribas and (ii) any other Lender designated by the Borrower as an "Issuing Bank" hereunder that has agreed in its sole discretion to such designation (and is reasonably acceptable to the Administrative Agent) with respect to any Letter of Credit requested to be issued hereunder, each in its capacity as an issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.06(i). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Bank, in which case the term "Issuing Bank" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate. Each reference herein to the "Issuing Bank" in connection with a Letter of Credit or other matter shall be deemed to be a reference to the relevant Issuing Bank with respect thereto.

**"LC Collateral Account"** has the meaning assigned to such term in Section 2.06(j).

**"LC Disbursement"** means a payment made by an Issuing Bank pursuant to a Letter of Credit.

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**"LC Exposure"** means, at any time, the sum of (a) the aggregate undrawn Dollar Amount of all outstanding Letters of Credit at such time plus (b) the aggregate Dollar Amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Article 29(a) of the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce Publication No. 600 (or such later version thereof as may be in effect at the applicable time) or Rule 3.13 or Rule 3.14 of the International Standby Practices, International Chamber of Commerce Publication No. 590 (or such later version thereof as may be in effect at the applicable time) or similar terms of the Letter of Credit itself, or if compliant documents have been presented but not yet honored, such Letter of Credit shall be deemed to be "outstanding" and "undrawn" in the amount so remaining available to be paid, and the obligations of the Borrower and each Lender shall remain in full force and effect until the Issuing Bank and the Lenders shall have no further obligations to make any payments or disbursements under any circumstances with respect to any Letter of Credit.

**"Lender Presentation"** means the Lender Presentation dated January 2022 relating to the Borrower and the Transactions.

**"Lender-Related Person"** has the meaning assigned to it in Section 9.03(b).

**"Lenders"** means the Persons listed on Schedule 2.01 and any other Person that shall have become a Lender hereunder pursuant to Section 2.20 or 2.23 or pursuant to an Assignment and Assumption or other documentation contemplated hereby, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption or other documentation contemplated hereby. Unless the context otherwise requires, the term "Lenders" includes each Issuing Bank.

**"Letter of Credit"** means any letter of credit issued pursuant to this Agreement and shall include each Existing Letter of Credit.

**"Letter of Credit Commitment"** means, with respect to each Issuing Bank, the commitment of such Issuing Bank to issue Letters of Credit hereunder. The initial amount of each Issuing Bank's Letter of Credit Commitment is set forth on Schedule 2.01, or if an Issuing Bank has entered into an Assignment and Assumption or has otherwise assumed a Letter of Credit Commitment after the Effective Date, the amount set forth for such Issuing Bank as its Letter of Credit Commitment in the Register maintained by the Administrative Agent. The Letter of Credit Commitment of an Issuing Bank may be modified from time to time by agreement between such Issuing Bank and the Borrower, and notified to the Administrative Agent. As of the Effective Date, the aggregate Letter of Credit Commitment is \$100,000,000.

**"Leverage Ratio"** means the ratio, determined as of the end of each of the Borrower's fiscal quarters, of (i) Consolidated Total Indebtedness to (ii) Consolidated Adjusted EBITDA for the period of four (4) consecutive fiscal quarters ending with the end of such fiscal quarter for which financial statements have been delivered pursuant to Section 5.01(a) or (b) (or, if prior to the date of the delivery of the first financial statements to be delivered pursuant to Section 5.01(a) or (b), the most recent financial statements referred to in Section 3.04(a)), all calculated for the Borrower and its Subsidiaries on a consolidated basis.

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**"Liabilities"** means any losses, claims (including intraparty claims), demands, damages or liabilities of any kind.

**"Lien"** means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset; provided that in no event shall a Non-Financing Lease Obligation be deemed to be a Lien.

**"Loan Documents"** means this Agreement, any promissory notes issued pursuant to Section 2.10(e), any Letter of Credit applications and all other agreements, instruments, documents and certificates identified in Section 4.01 executed and delivered to, or in favor of, the Administrative Agent or any Lenders and including all other pledges, powers of attorney, consents, assignments, contracts, notices and letter of credit agreements now or hereafter executed by or on behalf of the Borrower and delivered to the Administrative Agent or any Lender in connection with this Agreement or the transactions contemplated hereby. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to this Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative.

**"Loans"** means the loans made by the Lenders to the Borrower pursuant to Section 2.01.

**"Local Time"** means (i) New York City time in the case of a Loan, Borrowing or LC Disbursement denominated in Dollars and (ii) local time in the case of a Loan, Borrowing or LC Disbursement denominated in a Foreign Currency (it being understood that such local time shall mean London, England time unless otherwise notified by the Administrative Agent).

**"Material Adverse Effect"** means a material adverse effect on (a) the business, operations or financial condition of the Borrower and the Subsidiaries taken as a whole, (b) the ability of the Borrower to perform any of its payment obligations under this Agreement or (c) the validity or enforceability of this Agreement or any and all other Loan Documents or the rights or remedies of the Administrative Agent and the Lenders thereunder.

**"Material Domestic Subsidiary"** means each Domestic Subsidiary (i) which, as of the most recent fiscal quarter of the Borrower, for the period of four consecutive fiscal quarters then ended, for which financial statements have been delivered pursuant to Section 5.01(a) or (b) (or, if prior to the date of the delivery of the first financial statements to be delivered pursuant to Section 5.01(a) or (b), the most recent financial statements referred to in Section 3.04(a)), contributed greater than five percent (5%) of consolidated revenue (after giving effect to intercompany eliminations) for such period, (ii) which contributed greater than five percent (5%) of Consolidated Total Assets (after giving effect to intercompany eliminations) as of such date or (iii) which is designated by the Borrower as a Material Domestic Subsidiary; provided that, if at any time the aggregate amount of consolidated revenues or Consolidated Total Assets attributable to all Domestic Subsidiaries that are not Material Domestic Subsidiaries exceeds fifteen percent (15%) of consolidated revenues (after giving effect to intercompany eliminations)

for any such period or fifteen percent (15%) of Consolidated Total Assets (after giving effect to intercompany eliminations) as of the end of any such fiscal quarter, the Borrower (or, in the event the Borrower has failed to do so within ten (10) days, the Administrative Agent) shall designate sufficient Domestic Subsidiaries as "Material Domestic Subsidiaries" to eliminate such excess, and such

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designated Subsidiaries shall for all purposes of this Agreement constitute Material Domestic Subsidiaries.

**"Material Foreign Subsidiary"** means each Subsidiary that is not a Domestic Subsidiary (i) which, as of the most recent fiscal quarter of the Borrower, for the period of four consecutive fiscal quarters then ended, for which financial statements have been delivered pursuant to Section 5.01(a) or (b) (or, if prior to the date of the delivery of the first financial statements to be delivered pursuant to Section 5.01(a) or (b), the most recent financial statements referred to in Section 3.04(a)), contributed greater than ten percent (10%) of consolidated revenue (after giving effect to intercompany eliminations) for such period or (ii) which contributed greater than ten percent (10%) of Consolidated Total Assets (after giving effect to intercompany eliminations) as of such date.

**"Material Indebtedness"** means Indebtedness (other than the Loans and Letters of Credit), or obligations in respect of one or more Swap Agreements, of any one or more of the Borrower and its Subsidiaries in an aggregate principal amount exceeding \$200,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of the Borrower or any Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that the Borrower or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

**"Maturity Date"** means May 23, 2027, as such date may be extended pursuant to Section 2.23; provided, however, in each case, if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

**"Merger Agreement"** means that certain Agreement and Plan of Merger, dated as of January 9, 2022 (including all schedules and exhibits thereto), by and among the Borrower, Zynga, Zebra MS I, Inc., a Delaware corporation, and Zebra MS II, Inc., a Delaware corporation (as amended by the First Amendment to the Agreement and Plan of Merger, dated as of March 10, 2022).

**"Models"** means each of the financial models prepared by JPMorgan Chase Bank, N.A. (or its Affiliates) on behalf of the Borrower in connection with (i) ratings agency presentations delivered to each of S&P and Moody's and (ii) presentations to prospective investors delivered with respect to marketing the offering of the Senior Notes.

**"Moody's"** means Moody's Investors Service, Inc.

**"Multiemployer Plan"** means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

**"Non-Extending Lender"** has the meaning assigned to such term in Section 2.23(a).

**"Non-Financing Lease Obligation"** means a lease obligation that is not required to be accounted for as a financing or capital lease on both the balance sheet and the income statement for financial reporting purposes in accordance with GAAP. For the avoidance of doubt (i) the accounting for any lease obligation under this Agreement shall be based on GAAP as in effect on December 15, 2018 and without giving effect to any subsequent changes in GAAP (or the required implementation of any previously promulgated changes in GAAP) relating to the treatment of a lease as an operating lease or capitalized lease and (ii) any operating lease of the Borrower or its Subsidiaries shall be considered a Non-Financing Lease Obligation.

**"NYFRB"** means the Federal Reserve Bank of New York.

**"NYFRB's Website"** means the website of the NYFRB at <http://www.newyorkfed.org>, or any successor source.

**"NYFRB Rate"** means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term "NYFRB Rate" means the rate for a federal funds transaction quoted at 11:00 a.m. on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided,further, that if any of the aforesaid rates as so determined shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

**"Obligations"** means all unpaid principal of and accrued and unpaid interest on the Loans, all LC Exposure, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations and indebtedness (including interest and fees accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), obligations and liabilities of any of the Borrower and its Subsidiaries to any of the Lenders, the Administrative Agent, any Issuing Bank or any indemnified party, individually or collectively, existing on the Effective Date or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise, arising or incurred under this Agreement or any of the other Loan Documents or to the Lenders or any of their Affiliates under any Swap Agreement or any Banking Services Agreement or in respect of any of the Loans made or reimbursement or other obligations incurred for any of the Letters of Credit or other instruments at any time evidencing any thereof. Notwithstanding the foregoing, and for the avoidance of doubt, obligations arising from Permitted Bond Hedges and letter of credit facilities that are not under this Agreement shall not be considered Obligations.

**"OFAC"** means Office of Foreign Assets Control of the United States Department of the Treasury.

**"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 any Loan, Letter of Credit or Loan Document).

**"Other Taxes"** means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any 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 2.19).

**"Overnight Bank Funding Rate"** means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar transactions denominated in Dollars by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth

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on the NYFRB's Website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

**"Overnight Rate"** means, for any day, (a) with respect to any amount denominated in Dollars, the NYFRB Rate and (b) with respect to any amount denominated in a Foreign Currency, an overnight rate determined by the Administrative Agent or the Issuing Banks, as the case may be, in accordance with banking industry rules on interbank compensation.

**"Parent"** means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

**"Participant"** has the meaning assigned to such term in Section 9.04.

**"Participant Register"** has the meaning assigned to such term in Section 9.04(c).

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

**"Patriot Act"** has the meaning assigned to it in Section 9.13.

**"Payment"** has the meaning assigned to it in Section 8.06(c).

**"Payment Notice"** has the meaning assigned to it in Section 8.06(c).

**"PBGC"** means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

**"Periodic Term CORRA Determination Day"** has the meaning assigned to such term in the definition of "Term CORRA".

**"Permitted Bond Hedge"** means any Swap Agreement that is settled (after payment of any premium or any prepayment thereunder) through the delivery of cash and/or of Equity Interests of the Borrower and is entered into in connection with any Convertible Debt Securities in customary form, the purpose of which is to mitigate dilution upon conversion of such Convertible Debt Securities (including, but not limited to, any bond hedge transaction, warrant transaction, or capped call transaction).

**"Permitted Encumbrances"** means:

(a) Liens imposed by law for Taxes that are not yet due or are being contested in compliance with Section 5.04;

(b) carriers', warehousemen's, mechanics', materialmen's, repairmen's, landlord's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than sixty (60) days or are being contested in compliance with Section 5.04;

(c) pledges and deposits made in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations;

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(d) deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;

(e) Judgment Liens in respect of judgments that do not constitute an Event of Default under clause (k) of Article VII;

(f) easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Borrower or any Subsidiary;

(g) leases or subleases granted to other Persons and not interfering in any material respect with the business of the lessor or sublessor;

(h) Liens arising from precautionary Uniform Commercial Code filings or similar filings relating to operating leases;

(i) 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;

(j) licenses of intellectual property in the ordinary course of business or not materially interfering with the business of Borrower and its Subsidiaries, taken as a whole (including, intercompany licensing of intellectual property between the Borrower and any Subsidiary and between Subsidiaries in connection with cost-sharing arrangements, distribution, marketing, make-sell or other similar arrangements); and

(k) any interest or title of a lessor or sublessor under any lease of real property or personal property;

provided that the term "Permitted Encumbrances" shall not include any Lien securing Indebtedness of the type described in clause (a) the definition thereof.

**"Permitted Investments"** means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America or any political subdivision, state or public instrumentality thereof (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody's;

(c) bonds issued in the United States of America maturing no more than two (2) years from the date of acquisition and, at the time of acquisition, having a rating of at least BBB from S&P or at least Baa2 from Moody's; provided, that any such investment in such bonds shall not exceed 10% of a specific bond issuance;

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(d) investments in certificates of deposit, time deposits, or bankers' acceptances maturing no more than two (2) years from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any bank organized under the laws of (i) the United States of America or any state thereof or (ii) a jurisdiction other than the United States of America but with a presence in the United States of America, in each case, having at the date of acquisition thereof combined capital and surplus of not less than \$250,000,000;

(e) deposit accounts maintained with (i) any bank that satisfies the criteria described in clause (d)(i) above, or (ii) any other bank organized under the laws of the United States or any state thereof so long as the amount maintained with any such other bank is less than or equal to \$250,000 and is insured by the Federal Deposit Insurance Corporation;

(f) fully collateralized repurchase agreements with a term of not more than thirty (30) days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (d) above;

(g) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least \$5,000,000,000; and

(h) investments in an aggregate amount not to exceed \$500,000,000 at any time outstanding permitted by the Borrower's investment policy as previously disclosed to the Administrative Agent and in effect on the Effective Date (and as amended, restated, supplemented or otherwise modified from time to time with the consent (such consent not to be unreasonably withheld) of the Administrative Agent; provided that changes that do not affect the tenor or quality of the investments permitted thereby shall not require such consent).

**"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.

**"Platform"** means Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system.

**"Prime Rate"** means the rate of interest last quoted by The Wall Street Journal as the "Prime Rate" in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the Administrative Agent) or any similar release by the Federal Reserve Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

**"Principal Properties"** means (1) those real properties (and adjacent facilities) of the Borrower and any of its Subsidiaries located at 110 West 44th Street, New York, New York 10036 and (2) any building, structure or other facility, together with the land upon which it is erected and any

fixtures which are a part of the building, structure or other facility, located in the United States, and owned or leased or to be owned or leased by the Borrower or any of its Subsidiaries, and in each case the net book value of which as of that date exceeds \$50,000,000, other than any such land, building, structure or other facility or portion thereof which, in the opinion of the board of directors of the Borrower (or any committee duly authorized to act on behalf of such board) by resolution determines in good faith not of material importance to the total business conducted by the Borrower and its Subsidiaries, considered as one enterprise.

"Pro Forma Financial Statements" has the meaning assigned to such term in Section 3.04(b).

"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.

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

"QFC Credit Support" has the meaning assigned to it in Section 9.18.

"Qualified Acquisition" means any acquisition designated as such by the Borrower to the Administrative Agent at the time of the consummation thereof for consideration in excess of \$500,000,000; provided that immediately after giving effect to such Qualified Acquisition, no Default or Event of Default hereunder shall have occurred or be continuing or result therefrom.

"Recipient" means (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank, as applicable.

"Reference Time" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the Term SOFR Rate, 5:00 a.m. (Chicago 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 the RFR for such Benchmark is SONIA, then three Business Days prior to such setting, (4) if the RFR for such Benchmark is Daily Simple SOFR, then four Business Days prior to such setting, (5) if, following a Benchmark Transition Event and Benchmark Replacement Date with respect to Term CORRA, the RFR for such Benchmark is Daily Simple CORRA, then four RFR Business Days prior to such setting, (6) if such Benchmark is the Adjusted Term CORRA Rate, 1:00 p.m. Toronto local time on the day that is two Business Days preceding the date of such setting, or (7) if such Benchmark is none of the Term SOFR Rate, the EURIBOR Rate, SONIA, Daily Simple SOFR, Daily Simple CORRA or the Adjusted Term CORRA Rate, the time determined by the Administrative Agent in its reasonable discretion.

"Register" has the meaning assigned to such term in Section 9.04.

"Related Parties" means, with respect to any specified Person, such Person's Affiliates and the respective partners, trustees, administrators, directors, officers, employees, agents and advisors of such Person and such Person's Affiliates.

"Relevant Governmental Body" means, (i) with respect to a Benchmark Replacement in respect of Loans denominated in Dollars, the Federal Reserve Board and/or the NYFRB, the Term SOFR Administrator, as applicable, or a committee officially endorsed or convened by the Federal Reserve

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Board and/or the NYFRB or, in each case, any successor thereto, (ii) with respect to a Benchmark Replacement in respect of 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, (iii) with respect to a Benchmark Replacement in respect of Loans denominated in Euros, the European Central Bank, or a committee officially endorsed or convened by the European Central Bank or, in each case, any successor thereto, (iv) with respect to a Benchmark Replacement in respect of Loans denominated in Canadian Dollars, (x) the Bank of Canada or (y) any working group or committee officially endorsed or convened by (A) the Bank of Canada, (B) any other supervisor that is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement, (C) a group of the Bank of Canada or any other such supervisors or (D) the Financial Stability Board or any part thereof or, in each case, any successor thereto, and (v) with respect to a Benchmark Replacement in respect of Loans denominated in any other currency, (a) the central bank for the currency in which such Benchmark Replacement is denominated or any central bank or other supervisor which is responsible for supervising either (1) such Benchmark Replacement or (2) the administrator of such Benchmark Replacement or (b) any working group or committee officially endorsed or convened by (1) the central bank for the currency in which such Benchmark Replacement is denominated, (2) any central bank or other supervisor that is responsible for supervising either (A) such Benchmark Replacement or (B) the administrator of such Benchmark Replacement, (3) a group of those central banks or other supervisors or (4) the Financial Stability Board or any part thereof.

"Relevant Rate" means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, the Adjusted Term SOFR Rate, (ii) with respect to any Term Benchmark Borrowing denominated in Canadian Dollars, the Adjusted Term CORRA Rate, (iii) with respect to any Term Benchmark Borrowing

denominated in Euros, the Adjusted EURIBOR Rate or (iv) with respect to any RFR Borrowing denominated in Sterling, Dollars or Canadian Dollars, the applicable Adjusted Daily Simple RFR, as applicable.

**"Relevant Screen Rate"** means (i) with respect to any Term Benchmark Borrowing denominated in Dollars, the Term SOFR Reference Rate, (ii) with respect to any Term Benchmark Borrowing denominated in Canadian Dollars, Term CORRA or (iii) with respect to any Term Benchmark Borrowing denominated in Euros, the EURIBOR Screen Rate.

**"Replacement Lender"** has the meaning assigned to such term in Section 2.23(c).

**"Required Lenders"** means, at any time, Lenders having Revolving Credit Exposures and unused Commitments representing more than 50% of the sum of the total Revolving Credit Exposures and unused Commitments at such time.

**"Resolution Authority"** means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

**"Response Date"** has the meaning assigned to such term in Section 2.23(a).

**"Revolving Credit Exposure"** means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender's Loans and its LC Exposure at such time.

**"RFR"** means, for any RFR Loan denominated in (a) Sterling, SONIA, (b) Dollars, Daily Simple SOFR and (c) Canadian Dollars (solely following a Benchmark Transition Event and Benchmark Replacement Date with respect to Term CORRA) Daily Simple CORRA.

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**"RFR Administrator"** means the SONIA Administrator, the SOFR Administrator or the CORRA Administrator.

**"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, (b) Dollars, a U.S. Government Securities Business Day and (c) Canadian Dollars, any day except Saturday, Sunday or any other day on which banks in Canada are authorized or required by law to remain closed.

**"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 Adjusted Daily Simple RFR.

**"S&P"** means S&P Global Ratings, a business of S&P Global Inc., and any successor thereto.

**"Sale and Leaseback Transaction"** means any sale or other transfer of any property or asset by any Person with the intent to lease such property or asset as lessee.

**"Sanctioned Country"** means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, the so-called Donetsk People's Republic of Ukraine, the so-called Luhansk People's Republic of Ukraine, the Crimea Region of Ukraine, Cuba, Iran, North Korea and Syria).

**"Sanctioned Person"** means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom or other relevant sanctions authorities, (b) any Person operating, organized or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b) or (d) any government that is itself the target of Sanctions (as of the date of this Agreement, the governments of Cuba, Iran, North Korea, Syria, and Venezuela).

**"Sanctions"** means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom, or other relevant sanctions authorities.

**"SEC"** means the United States Securities and Exchange Commission or any successor agency of the U.S. government administering the Securities Act.

**"Securities Act"** means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations of the SEC thereunder, all as the same shall be in effect from time to time.

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**"Senior Notes"** means, collectively, (i) the 3.300% senior notes due 2024 of the Borrower in an aggregate principal amount of \$1,000,000,000, (ii) the 3.550% senior notes due 2025 of the Borrower in an aggregate principal amount of \$600,000,000, (iii) the 3.700% senior notes due 2027 of the Borrower in an aggregate principal amount of \$600,000,000 and (iv) the 4.000% senior notes due 2032 of the Borrower in an aggregate principal amount of \$500,000,000.

**"SOFR"** means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

**"SOFR Administrator"** means the NYFRB (or a successor administrator of the secured overnight financing rate).

**"SOFR Administrator's Website"** means the NYFRB's website, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

**"SOFR Determination Date"** has the meaning specified in the definition of "Daily Simple SOFR".

**"SOFR Rate Day"** has the meaning specified in the definition of "Daily Simple SOFR".

**"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.

**"Statutory Reserve Rate"** means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentage (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Federal Reserve Board to which the Administrative Agent is subject with respect to the Adjusted Term CORRA Rate or Adjusted EURIBOR Rate, as applicable, for eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D) or any other reserve ratio or analogous requirement of any central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Loans. Such reserve percentage shall include those imposed pursuant to Regulation D. Term Benchmark Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

**"Sterling"** or **"£"** mean the lawful currency of the United Kingdom.

**"subsidiary"** means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held by such parent and (b) with respect to which such parent is a Controlling Person or otherwise Controls such entity.

**"Subsidiary"** means any subsidiary of the Borrower.

**"Successor Company"** has the meaning assigned to it in Section 6.04.

**"Supported QFC"** has the meaning assigned to it in Section 9.18.

**"Swap Agreement"** means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; *provided* that, for the avoidance of doubt, the following shall not be deemed a "Swap Agreement": (i) any phantom stock or similar plan (including, any stock option plan) providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or the Subsidiaries, (ii) any stock option or warrant agreement for the purchase of Equity Interests of the Borrower, (iii) the purchase of Equity Interests or Indebtedness (including securities convertible into Equity Interests) of Borrower pursuant to delayed delivery contracts, accelerated stock repurchase agreements, forward contracts or other similar agreements and (iv) any of the foregoing to the extent that it constitutes a derivative embedded in a convertible security issued by the Borrower.

**"Syndication Agent"** means Wells Fargo Bank, National Association, in its capacity as a syndication agent for the credit facility evidenced by this Agreement.

**"TARGET2"** means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on November 19, 2007.

**"TARGET Day"** means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

**"Taxes"** means all present or future taxes, levies, imposts, duties, 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 Benchmark"** when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted Term SOFR Rate, the Adjusted Term CORRA Rate or the Adjusted EURIBOR Rate.

**"Term CORRA"** means, with respect to any Term Benchmark Borrowing denominated in Canadian dollars, the Term CORRA Reference Rate for a tenor comparable to the applicable Interest.

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Period on the day (such day, the "Periodic Term CORRA Determination Day") that is two (2) Business Days prior to the first day of such Interest Period, as such rate is published by the Term CORRA Administrator; *provided, however*, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Benchmark Replacement Date with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such tenor as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than five (5) Business Days prior to such Periodic Term CORRA Determination Day.

**"Term CORRA Administrator"** means Candeal Benchmark Administration Services Inc., TSX Inc., or any successor administrator.

**"Term CORRA Notice"** means a notification by the Administrative Agent to the Lenders and the Borrower with the prior written consent of the Borrower of the occurrence of a Term CORRA Reelection Event.

**"Term CORRA Reelection Event"** means the determination by the Administrative Agent in consultation with the Borrower that (a) Term CORRA has been recommended for use by the Relevant Governmental Body, (b) the administration of Term CORRA is administratively feasible for the Administrative Agent and

(c) a Benchmark Transition Event, has previously occurred resulting in a Benchmark Replacement in accordance with Section 2.14(a) that is not Term CORRA.

"Term CORRA Reference Rate" means the forward-looking term rate based on CORRA.

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

"Term SOFR Determination Day" has the meaning assigned to it under the definition of Term SOFR Reference Rate.

"Term SOFR Rate" means, with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the Term SOFR Reference Rate at approximately 5:00 a.m., Chicago time, two U.S. Government Securities Business Days prior to the commencement of such tenor comparable to the applicable Interest Period, as such rate is published by the Term SOFR Administrator.

"Term SOFR Reference Rate" means, for any day and time (such day, the "Term SOFR Determination Day"), with respect to any Term Benchmark Borrowing denominated in Dollars and for any tenor comparable to the applicable Interest Period, the rate per annum determined by the Administrative Agent as the forward-looking term rate based on SOFR. If by 5:00 pm (New York City time) on such Term SOFR Determination Day, the "Term SOFR Reference Rate" for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Rate has not occurred, then the Term SOFR Reference Rate for such Term SOFR Determination Day will be the Term SOFR Reference Rate as published in respect of the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate was

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published by the CME Term SOFR Administrator, so long as such first preceding Business Day is not more than five (5) Business Days prior to such Term SOFR Determination Day.

"Total Revolving Credit Exposure" means, the sum of the outstanding principal amount of all Lenders' Loans and their LC Exposure at such time.

"Transactions" means, collectively, (a) the consummation of the Combination, (b) the occurrence of the Effective Date Refinancing, (c) the occurrence of the Existing Zynga Notes Fundamental Change Conversion and the Existing Zynga Notes Fundamental Change Repurchase, if any, (d) the issuance of the Senior Notes, (e) the execution, delivery and performance by the Borrower of this Agreement and the other Loan Documents and the initial borrowing of Loans and other credit extensions, the use of proceeds thereof and the issuance (including any deemed issuance) of Letters of Credit hereunder, (f) the other transactions to occur pursuant to or in connection with the Merger Agreement and the Loan Documents and (g) the payment of all fees, costs and expenses incurred or payable by the Borrower or any of its Subsidiaries in connection with the foregoing.

"Type", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted Term SOFR Rate, the Adjusted Term CORRA Rate, the Adjusted EURIBOR Rate, the Adjusted Daily Simple RFR or the Alternate Base Rate.

"UK Financial Institutions" 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.

"Unaudited Financial Statements" has the meaning assigned to such term in Section 3.04(a).

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

**"U.S. Person"** means a "United States person" within the meaning of Section 7701(a)(30) of the Code.

**"U.S. Special Resolution Regime"** has the meaning assigned to it in Section 9.18.

**"U.S. Tax Compliance Certificate"** has the meaning assigned to such term in Section 2.17(f)(ii)(B)(3).

**"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.

**"Zynga"** means Zynga Inc., a Delaware corporation.

**SECTION 1.02 Classification of Loans and Borrowings.** For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., a "Term Benchmark Loan"). Borrowings also may be classified and referred to by Type (e.g., a "Term Benchmark Borrowing").

**SECTION 1.03 Terms Generally.** The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". The word "law" shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply), and all judgments, orders and decrees, of all Governmental Authorities. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) 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 and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

**SECTION 1.04 Accounting Terms; GAAP; Pro Forma Calculations.** (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 the Borrower 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 Required 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 but only to the extent that, without undue burden or expense, the Borrower, its auditors and/or its financial systems are capable of interpreting such provisions as if such change in GAAP had not occurred; provided, further, that in the event that the Borrower requests such an amendment, the Administrative Agent and the Required Lenders shall negotiate in good faith to evaluate such proposed amendment. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be (i) made without giving effect to any election under Accounting Standards Codification 825-10-25 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at "fair value", as defined therein and (ii) made without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

(b) All pro forma computations required to be made hereunder giving effect to any acquisition or disposition, or issuance, incurrence or assumption of Indebtedness, or other transaction, shall in each case be calculated giving pro forma effect thereto (and, in the case of any pro forma computation made hereunder to determine whether such acquisition or disposition, or issuance, incurrence or assumption of Indebtedness, or other transaction is permitted to be consummated hereunder, to any other such transaction consummated since the first day of the period covered by any component of such pro forma computation and on or prior to the date of such computation), as if such transaction had occurred on the first day of the period of four consecutive fiscal quarters ending with the most recent fiscal quarter for which financial statements shall have been delivered pursuant to Section 5.01(a) or 5.01(b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 3.04(a)), and, to the extent applicable, to the historical earnings and cash flows associated with the assets acquired or disposed of (but without giving effect to any synergies or cost savings) and any related incurrence or reduction of Indebtedness, all in accordance with Article 11 of Regulation S-X under the Securities Act. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Swap Agreement applicable to such Indebtedness).

**SECTION 1.05 Interest Rates; Benchmark Notification.** The interest rate on a Loan denominated in dollars or a Foreign Currency may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event or a Term CORRA Reelection Event, Section 2.14(b) provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission, performance or any other matter related to any interest rate used in this Agreement, or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without

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limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce the same value or economic equivalence of, the existing interest rate being replaced or have the same volume or liquidity as did any existing interest rate prior to its discontinuance or unavailability. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referenced in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the 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.

**SECTION 1.06 Letter of Credit Amounts.** Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Amount of the stated amount of such Letter of Credit available to be drawn at such time; provided that with respect to any Letter of Credit that, by its terms or the terms of any other agreement related thereto, provides for one or more automatic increases in the available amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Amount of the maximum amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum amount is available to be drawn at such time.

**SECTION 1.07 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 and acquired on the first date of its existence by the holders of its Equity Interests at such time.

## Article II

### The Credits

**SECTION 2.01 Commitments.** Subject to the terms and conditions set forth herein, each Lender, severally and not jointly, agrees to make Loans to the Borrower in Agreed Currencies from time to time during the Availability Period in an aggregate principal amount that will not result in (a) subject to Sections 2.04 and 2.11(b), the Dollar Amount of such Lender's Revolving Credit Exposure exceeding such Lender's Commitment, (b) subject to Sections 2.04 and 2.11(b), the Dollar Amount of the Total Revolving Credit Exposure exceeding the Aggregate Commitment or (c) subject to Sections 2.04 and 2.11(b), the Dollar Amount of the total outstanding Loans and LC Exposure, in each case denominated in Foreign Currencies, exceeding the Foreign Currency Sublimit. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Loans.

**SECTION 2.02 Loans and Borrowings.** (a) Each Loan shall be made as part of a Borrowing consisting of Loans of the same Type made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to make any Loan required to be made by it shall not

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relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Subject to Section 2.14, each Borrowing shall be comprised, in the case of Borrowings in Dollars, entirely of ABR Loans or Term Benchmark Loans and, in the case of Borrowings in any other Agreed Currency, entirely of Term Benchmark Loans or RFR Loans, as applicable, in each case of the same Agreed Currency, as the Borrower may request in accordance herewith; provided that each ABR Loan shall only be made in Dollars. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan (and the provisions of Sections 2.14, 2.15, 2.16 and 2.17 shall apply to such branch or Affiliate to the same extent as to such Lender); provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Term Benchmark Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 (or, if such Borrowing is denominated in a Foreign Currency, the corresponding Dollar Amount). At the time that each ABR Borrowing and/or RFR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 (or, if such Borrowing is denominated in a Foreign Currency, the corresponding Dollar Amount); provided that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the Aggregate Commitment or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e). Borrowings of more than one Type may be outstanding at the same time; provided that there shall not at any time be more than a total of ten (10) Term Benchmark Borrowings or RFR Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

**SECTION 2.03 Requests for Borrowings.** To request a Borrowing, the Borrower shall notify the Administrative Agent of such request by irrevocable written notice (via a written Borrowing Request signed by the Borrower) (a)(i) in the case of a Term Benchmark Borrowing denominated in Dollars, not later than 11:00 a.m., New York City time, three (3) Business Days before the date of the proposed Borrowing; provided, that, with respect to any Term Benchmark Borrowing denominated in Dollars to be made on the Effective Date, such request shall be delivered to the Administrative Agent not later than 11:00 a.m., New York City time, one (1) Business Day before the Effective Date, (ii) in the case of a Term Benchmark Borrowing denominated in Canadian Dollars or Euros, not later than 12:00 p.m., New York City time, three Business Days before the date of the proposed Borrowing, (iii) in the case of an RFR Borrowing denominated in Sterling, not later than 11:00 a.m., New York City time, four RFR Business Days before the date of the proposed Borrowing, and (iv) in the case of an RFR Borrowing denominated in Canadian Dollars, not later than 12:00 p.m., New York City time, five (5) RFR Business Days before the date of the proposed Borrowing, or (b) in the case of an ABR Borrowing, not later than 1:00 p.m., New York City time, on the date of the proposed Borrowing; provided, that any such notice of an ABR Borrowing to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e) may be given not later than 10:00 a.m., New York City time, on the date of the

proposed Borrowing. Each such Borrowing Request shall be irrevocable. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02:

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- (i) the Agreed Currency and aggregate principal amount of the requested Borrowing;
- (ii) the date of such Borrowing, which shall be a Business Day;
- (iii) whether such Borrowing is to be an ABR Borrowing, a Term Benchmark Borrowing or an RFR Borrowing;
- (iv) in the case of a Term Benchmark Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and
- (v) the location and number of the Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.07.

If no election as to the currency of a Borrowing is specified, then the requested Revolving Borrowing shall be made in Dollars. If no election as to the Type of Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing made in Dollars. If no Interest Period is specified with respect to any requested Term Benchmark Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

**SECTION 2.04 Determination of Dollar Amounts.** The Administrative Agent will determine the Dollar Amount of:

- (a) (i) each Term Benchmark Borrowing and RFR Borrowing as of the date of such Borrowing and (ii) (x) with respect to any Term Benchmark Borrowing, the date of conversion/continuation of any Borrowing as a Term Benchmark Borrowing and (y) with respect to any RFR Borrowing, as of the last Business Day of each calendar quarter, and
- (b) the LC Exposure as of (i) the date of each request for the issuance, amendment (including any amendment that has the effect of increasing the face amount thereof), renewal or extension of any Letter of Credit and (ii) the first Business Day of each calendar month

Each day upon or as of which the Administrative Agent determines Dollar Amounts as described in the preceding clauses (a) and (b) is herein described as a "Computation Date" with respect to each Credit Event for which a Dollar Amount is determined on or as of such day.

**SECTION 2.05 [Reserved].**

**SECTION 2.06 Letters of Credit.** (a) General. Subject to the terms and conditions set forth herein, the Borrower may request any Issuing Bank to issue Letters of Credit denominated in Agreed Currencies as the applicant thereof for the support of its or its Subsidiaries' obligations, in a form reasonably acceptable to the Administrative Agent and such Issuing Bank, at any time and from time to time during the Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, the Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

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**(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions.** To request the issuance of a Letter of Credit (or the amendment (including any amendment that has the effect of increasing the face amount thereof), renewal or extension of an outstanding Letter of Credit), the Borrower shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the relevant Issuing Bank) to the relevant Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the Agreed Currency applicable thereto, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by an Issuing Bank, the Borrower also shall submit a letter of credit application on such Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, in each case subject to Sections 2.04 and 2.11(b), (i) the sum of (x) the aggregate undrawn Dollar Amount of all outstanding Letters of Credit issued by any Issuing Bank at such time plus (y) the aggregate Dollar Amount of all LC Disbursements made by such Issuing Bank that have not yet been reimbursed by or on behalf of the Borrower at such time shall not exceed its Letter of Credit Commitment, (ii) the Dollar Amount of LC Exposure shall not exceed the total Letter of Credit Commitments, (iii) no Lender's Dollar Amount of Revolving Credit Exposure shall exceed its Commitment and (iv) the Dollar Amount of the total outstanding Revolving Loans and LC Exposure, in each case denominated in Foreign Currencies, shall not exceed the Foreign Currency Sublimit (in each case of the foregoing clauses (i) through (iv), except in the case of an amendment reducing the amount of an outstanding Letter of Credit or shortening the expiration date of such Letter of Credit). The Borrower may, at any time and from time to time, reduce the Letter of Credit Commitment of any Issuing Bank with the consent of such Issuing Bank; provided that the Borrower shall not reduce the Letter of Credit commitment of any Issuing Bank if, after giving effect of such reduction, the conditions set forth in clauses (i) through (iv) of the preceding sentence shall not be satisfied.

An Issuing Bank shall not be under any obligation to issue any Letter of Credit if (i) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such Issuing Bank from issuing such Letter of Credit, or any law applicable to such Issuing Bank shall prohibit, or require that such Issuing Bank refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such Issuing Bank with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such Issuing Bank is not otherwise compensated hereunder) not in effect on the Effective Date, or shall impose upon such Issuing Bank any unreimbursed loss, cost or expense that was not applicable on the Effective Date and that such Issuing Bank in good faith deems material to it or (ii) the issuance of such Letter of Credit would violate one or more policies of such Issuing Bank applicable to letters of credit generally and in effect as of the Effective Date.

**(c) Expiration Date.** Each Letter of Credit shall expire (or be subject to termination by notice from the Issuing Bank to the beneficiary thereof) at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension) and (ii) the date that is five (5) Business Days prior to the Maturity Date; provided that if any amount is able to be drawn under any

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expired Letter of Credit in accordance with the definition of "LC Exposure" following the date that is five (5) Business Days prior to the Maturity Date, the Borrower shall deposit cash collateral pursuant to Section 2.06(j) in an amount equal to the amount(s) able to be so drawn.

**(d) Participations.** By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the relevant Issuing Bank or the Lenders, the relevant Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from the relevant Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the relevant Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Borrower on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

**(e) Reimbursement.** If the relevant Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent in Dollars the Dollar Amount equal to such LC Disbursement, calculated as of the date such Issuing Bank made such LC Disbursement (or if such Issuing Bank shall so elect in its sole discretion by notice to the Borrower, in such other Agreed Currency which was

paid by such Issuing Bank pursuant to such LC Disbursement in an amount equal to such LC Disbursement) not later than 1:00 p.m., Local Time, on the date that such LC Disbursement is made, if the Borrower shall have received notice of such LC Disbursement prior to 10:00 a.m., Local Time, on such date, or, if such notice has not been received by the Borrower prior to such time on such date, then not later than 1:00 p.m., Local Time, on the Business Day immediately following the day that the Borrower receives such notice, if such notice is not received prior to such time on the day of receipt; provided that, if such LC Disbursement is not less than the Dollar Amount of \$1,000,000, the Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with (i) to the extent such LC Disbursement was made in Dollars, an ABR Borrowing or Term Benchmark Borrowing in Dollars in an amount equal to such LC Disbursement or (ii) to the extent such LC Disbursement was made in a Foreign Currency, a Term Benchmark Borrowing or RFR Borrowing in such Foreign Currency, as applicable, in an amount equal to such LC Disbursement and, in each case, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing, Term Benchmark Borrowing or RFR Borrowing, as applicable. If the Borrower fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Borrower, in the same manner as provided in Section 2.07 with respect to Loans made by such Lender (and Section 2.07 shall apply, mutatismutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the relevant Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to such Issuing Bank or, to the extent

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that Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Lenders and such Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the relevant Issuing Bank for any LC Disbursement (other than the funding of ABR Revolving Loans as contemplated above) shall not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement. If the Borrower's reimbursement of, or obligation to reimburse, any amounts in any Foreign Currency would subject the Administrative Agent, any Issuing Bank or any Lender to any stamp duty, ad valorem charge or similar tax that would not be payable if such reimbursement were made or required to be made in Dollars, the Borrower shall, at its option, either (x) pay the amount of any such tax requested by the Administrative Agent, the relevant Issuing Bank or the relevant Lender or (y) reimburse each LC Disbursement made in such Foreign Currency in Dollars, in an amount equal to the Equivalent Amount, calculated using the applicable Exchange Rates, on the date such LC Disbursement is made, of such LC Disbursement.

(f) Obligations Absolute. The Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the relevant Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Banks, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the relevant Issuing Bank; provided that the foregoing shall not be construed to excuse the relevant Issuing Bank from liability to the Borrower to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence, bad faith or willful misconduct on the part of any Issuing Bank (as finally determined by a court of competent jurisdiction), such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, each Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The Issuing Bank for any Letter of Credit shall, within the time allowed by applicable law or the specific terms of the Letter of Credit following its receipt

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thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. Each Issuing Bank shall promptly notify the Administrative Agent and the Borrower by telephone (confirmed by telecopy) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse such Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If any Issuing Bank shall make any LC Disbursement, then, unless the Borrower shall reimburse such LC Disbursement in full in the applicable Agreed Currency on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Loans; provided that, if the Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.13(e) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the relevant Issuing Bank, except that interest accrued on and after the date of payment by any Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement and Resignation of Issuing Banks. (i) Any Issuing Bank may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of any Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.12(b). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued by such successor Issuing Bank thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit then outstanding and issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit or extend or otherwise amend any existing Letter of Credit.

(ii) Subject to (and conditioned upon) the successful appointment and acceptance of a successor Issuing Bank, any Issuing Bank may resign as an Issuing Bank at any time upon thirty days' prior written notice to the Administrative Agent, the Borrower and the Lenders, in which case, such resigning Issuing Bank shall be replaced in accordance with Section 2.06(i)(i) above.

(j) Cash Collateralization. If 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 maturity of the Loans has been accelerated, Lenders with LC Exposure representing greater than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph or if any amount is drawn under any expired Letter of Credit in accordance with the definition of "LC Exposure", 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 (the "LC Collateral Account"), an amount in cash equal to 100% of the Dollar Amount of the LC Exposure as of such date plus any accrued and unpaid interest thereon; provided that (i) the portions of such amount attributable to undrawn Foreign Currency Letters of Credit or LC Disbursements in a Foreign Currency that the Borrower is not late in

reimbursing shall be deposited in the applicable Foreign Currencies in the actual amounts of such undrawn Letters of Credit and LC Disbursements and (ii) the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in clause (h) or (i) of Article VII. For the purposes of this paragraph, the Foreign Currency LC Exposure shall be calculated using the applicable Exchange Rate on the date notice demanding cash collateralization is delivered to the Borrower. The Borrower also shall deposit cash collateral pursuant to this paragraph as and to the extent required by Section 2.11(b). Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Obligations. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments

shall be made at the option and sole discretion of the Administrative Agent and at the 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 relevant Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with LC Exposure representing greater than 50% of the total LC Exposure), be applied to satisfy other Obligations. 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.

(k) Issuing Bank Agreements. Each Issuing Bank agrees that, unless otherwise requested by the Administrative Agent, such Issuing Bank shall report in writing to the Administrative Agent (i) on the first Business Day of each week, the daily activity (set forth by day) in respect of Letters of Credit during the immediately preceding week, including all issuances, extensions, amendments and renewals, all expirations and cancellations and all disbursements and reimbursements, (ii) on or prior to each Business Day on which such Issuing Bank expects to issue, amend, renew or extend any Letter of Credit, the date of such issuance, amendment, renewal or extension, and the aggregate face amount of the Letters of Credit to be issued, amended, renewed or extended by it and outstanding after giving effect to such issuance, amendment, renewal or extension occurred (and whether the amount thereof changed), it being understood that such Issuing Bank shall not permit any issuance, renewal, extension or amendment resulting in an increase in the amount of any Letter of Credit to occur without first obtaining written confirmation from the Administrative Agent that it is then permitted under this Agreement, (iii) on each Business Day on which such Issuing Bank makes any LC Disbursement, the date of such LC Disbursement and the amount of such LC Disbursement, (iv) on any Business Day on which any Borrower fails to reimburse an LC Disbursement required to be reimbursed to such Issuing Bank on such day, the date of such failure and the amount and currency of such LC Disbursement and (v) on any other Business Day, such other information as the Administrative Agent shall reasonably request.

(l) Letters of Credit Issued for Account of Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder supports any obligations of, or is for the account of, a Subsidiary, or states that a Subsidiary is the "account party," "applicant," "customer," "instructing party," or the like or of or for such Letter of Credit, and without derogating from any rights of the applicable Issuing Bank (whether arising by contract, at law, in equity or otherwise) against such Subsidiary in respect of such Letter of Credit, the Borrower (i) shall reimburse, indemnify and compensate the applicable Issuing Bank hereunder for such Letter of Credit (including to reimburse any and all drawings thereunder) as if

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such Letter of Credit had been issued solely for the account of the Borrower and (ii) irrevocably waives any and all defenses that might otherwise be available to it as a guarantor or surety of any or all of the obligations of such Subsidiary in respect of such Letter of Credit. The Borrower hereby acknowledges that the issuance of such Letters of Credit for its Subsidiaries inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

**SECTION 2.07 Funding of Borrowings.** (a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds (i) in the case of Loans denominated in Dollars, by 12:00 noon, New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders and (ii) in the case of each Loan denominated in a Foreign Currency, by 3:00 p.m., Local Time, in the city of the Administrative Agent's Foreign Currency Payment Office for such currency and at such Foreign Currency Payment Office for such currency. Except in respect of the provisions of this Agreement covering the reimbursement of Letters of Credit, the Administrative Agent will make such Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to (x) an account of the Borrower designated by the Borrower in the applicable Borrowing Request, in the case of Loans denominated in Dollars and (y) an account of the Borrower in the relevant jurisdiction and designated by the Borrower in the applicable Borrowing Request, in the case of Loans denominated in a Foreign Currency; provided that ABR Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the relevant Issuing Bank.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower 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 the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the applicable Overnight Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation or (ii) in the case of the Borrower, the interest rate applicable to ABR Loans, or in the case of Alternative Currencies, in accordance with

such market practice, in each case, as applicable. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

**SECTION 2.08 Interest Elections.** (a) Each Borrowing initially shall be of the Type and Agreed Currency specified in the applicable Borrowing Request and, in the case of a Term Benchmark Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Term Benchmark Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

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(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election (by telephone or irrevocable written notice in the case of a Borrowing denominated in Dollars or by irrevocable written notice (via an Interest Election Request signed by the Borrower) in the case of a Borrowing denominated in a Foreign Currency) by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic Interest Election Request shall be irrevocable and shall be confirmed promptly by a written Interest Election Request (delivered by telecopy or electronic mail) which shall be signed by the Borrower. Notwithstanding any contrary provision herein, this Section shall not be construed to permit the Borrower to (i) change the currency of any Borrowing, (ii) elect an Interest Period for Term Benchmark Loans that does not comply with Section 2.02(d) or (iii) convert any Borrowing to a Borrowing of a Type not available under such Borrowing.

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.02:

- (i) the Agreed Currency and principal amount of Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);
- (ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;
- (iii) whether the resulting Borrowing is to be an ABR Borrowing or a Term Benchmark Borrowing or an RFR Borrowing; and
- (iv) if the resulting Borrowing is a Term Benchmark Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which Interest Period shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Term Benchmark Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Term Benchmark Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period (i) in the case of a Borrowing denominated in Dollars, such Borrowing shall be converted to a Term Benchmark Borrowing with an Interest Period of one month and (ii) in the case of a Borrowing denominated in a Foreign Currency in respect of which the Borrower shall have failed to deliver an Interest Election Request prior to the third (3rd) Business Day preceding the end of such Interest Period, such Borrowing shall automatically continue as a Term Benchmark Borrowing in the same Agreed Currency with an Interest Period of one month unless such Term Benchmark Borrowing is or was repaid in accordance with Section 2.11.

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Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding Borrowing denominated in Dollars may be converted to or continued as a Term Benchmark Borrowing, (ii) unless repaid, each Term Benchmark Borrowing denominated in Dollars shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto and (iii) unless repaid, each Term Benchmark Borrowing denominated in a Foreign Currency shall automatically be continued as a Term Benchmark Borrowing with an Interest Period of one month.

(f) Notwithstanding anything in this Agreement or any other Loan Document to the contrary, interest on all Term Benchmark Loans denominated in Canadian Dollars outstanding immediately prior to the Amendment No. 1 Effective Date, if any, shall continue to accrue and be paid based upon the "Adjusted CDOR Rate" applicable pursuant to the terms of the Credit Agreement as in effect immediately prior to the Amendment No. 1 Effective Date solely until the expiration of the current "Interest Period" (as defined in the Credit Agreement as in effect immediately prior to the Amendment No. 1 Effective Date and taking into account any grace periods or extensions of such "Interest Period" approved prior to the Amendment No. 1 Effective Date) applicable thereto (at which time such Term Benchmark Loans denominated in Canadian Dollars may be reborrowed as or converted to Term Benchmark Borrowings in accordance with this Section 2.08); provided, however, that from and after the Amendment No. 1 Effective Date, the Applicable Rate to be applied to any such Term Benchmark Loans denominated in Canadian Dollars shall be based on the Applicable Rate for Term Benchmark Loans.

**SECTION 2.09 Termination and Reduction of Commitments.** (a) Unless previously terminated, the Commitments shall terminate on the Maturity Date.

(b) The Borrower may at any time terminate, or from time to time reduce, the Commitments; provided that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$5,000,000 and not less than \$10,000,000 and (ii) the Borrower shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, the Dollar Amount of the Total Revolving Credit Exposure would exceed the Aggregate Commitment.

(c) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section at least three (3) Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this section shall be irrevocable; provided that a notice of termination of the Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or other transactions, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments shall be permanent. Each reduction of the Commitments shall be made ratably among the Lenders in accordance with their respective Commitments.

**SECTION 2.10 Repayment of Loans; Evidence of Debt.** (a) The Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Loan on the Maturity Date in the currency of such Loan.

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(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Agreed Currency and the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section 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 Borrower to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender or its registered assigns and in the form attached hereto as Exhibit H (or such other form approved by the Administrative Agent). Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the payee named therein or its registered assigns.

#### SECTION 2.11 Prepayment of Loans.

(a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with the provisions of this Section 2.11(a). The Borrower shall notify the Administrative Agent by telephone (confirmed by telecopy or electronic mail) of any prepayment hereunder (i) in the case of prepayment of a Term Benchmark Borrowing, not later than 11:00 a.m., Local Time, three (3) Business Days (in the case of a Eurocurrency Borrowing denominated in Dollars) or four (4) Business Days (in the case of a Eurocurrency Borrowing denominated in a Foreign Currency), in each case before the date of prepayment or (ii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by (i) accrued interest to the extent required by Section 2.13 and (ii) break funding payments pursuant to Section 2.16.

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(b) If at any time, (i) other than as a result of fluctuations in currency exchange rates, (A) the sum of the aggregate principal Dollar Amount of all of the Revolving Credit Exposures (calculated, with respect to those Credit Events denominated in Foreign Currencies, as of the most recent Computation Date with respect to each such Credit Event) exceeds the Aggregate Commitment or (B) the sum of the aggregate principal Dollar Amount of all of the outstanding Revolving Credit Exposures denominated in Foreign Currencies (the "Foreign Currency Exposure") (so calculated), as of the most recent Computation Date with respect to each such Credit Event, exceeds the Foreign Currency Sublimit or (ii) solely as a result of fluctuations in currency exchange rates, (A) the sum of the aggregate principal Dollar Amount of all of the Revolving Credit Exposures (so calculated) exceeds 105% of the Aggregate Commitment or (B) the Foreign Currency Exposure, as of the most recent Computation Date with respect to each such Credit Event, exceeds 105% of the Foreign Currency Sublimit, the Borrower shall in each case immediately repay Borrowings or cash collateralize LC Exposure in an account with the Administrative Agent pursuant to Section 2.06(j), as applicable, in an aggregate principal amount sufficient to cause (x) the aggregate Dollar Amount of all Revolving Credit Exposures (so calculated) to be less than or equal to the Aggregate Commitment and (y) the Foreign Currency Exposure to be less than or equal to the Foreign Currency Sublimit, as applicable.

SECTION 2.12 Fees. (a) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the Applicable Rate on the Available Commitment of such Lender during the period from and including the Effective Date to but excluding the date on which such Commitment terminates. Accrued commitment fees shall be payable in arrears on the last day of March, June, September and December of each year and on the date on which the Commitments terminate, commencing on the first such date to occur after the date hereof; provided that any commitment fees accruing after the date on which the Commitments terminate shall be payable on demand. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) The Borrower agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Rate used to determine the interest rate applicable to Term Benchmark Loans on the average daily Dollar Amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Commitment terminates and the date on which such Lender ceases to have any LC Exposure and (ii) to the relevant Issuing Bank for its own account a fronting fee, which shall accrue at a rate per annum separately agreed upon by the Borrower and such Issuing Bank on the average daily Dollar Amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) attributable to Letters of Credit issued by such Issuing Bank during the period from and including the Effective Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, as well as such Issuing Bank's standard fees and commissions with respect to the issuance, amendment, cancellation, negotiation, transfer, presentment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Unless otherwise specified above, participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third (3<sup>rd</sup>) Business Day following such last day, commencing on the first such date to occur after the Effective Date;

provided that all such fees shall be payable on the date on which the Commitments terminate and any such fees accruing after the date on which the Commitments terminate shall be payable on demand. Any other fees payable to any Issuing Bank pursuant to this paragraph shall be payable within ten (10) days after demand. All participation fees and fronting fees shall be computed

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on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). Participation fees and fronting fees in respect of Letters of Credit denominated in Dollars shall be paid in Dollars, and participation fees and fronting fees in respect of Letters of Credit denominated in a Foreign Currency shall be paid in such Foreign Currency.

(c) The Borrower agrees to pay (x) to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Administrative Agent and (y) such other fees as separately agreed upon between the Borrower and JPMCB.

(d) All fees payable hereunder shall be paid on the dates due, in Dollars (except as otherwise expressly provided in this Section 2.12) and immediately available funds, to the Administrative Agent (or to each Issuing Bank, in the case of fees payable to it) for distribution, in the case of commitment fees and participation fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

**SECTION 2.13 Interest.** (a) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Term Benchmark Borrowing shall bear interest at the Adjusted Term SOFR Rate, the Adjusted Term CORRA Rate or the Adjusted EURIBOR Rate, as applicable, for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) Each RFR Loan shall bear interest at a rate per annum equal to the applicable Adjusted Daily Simple RFR plus the Applicable Rate.

(d) Notwithstanding the foregoing and to the extent permitted by law, upon the occurrence and during the continuance of an Event of Default arising under any of Sections 7.11(a) or (b), any overdue principal of, and all accrued and unpaid interest on, all Loans (and any overdue fee or any other amount payable under this Agreement) shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans as provided in paragraph (a) of this Section 2.13.

(e) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and upon termination of the Commitments; provided that (i) interest accrued pursuant to paragraph (c) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Term Benchmark Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(f) Interest computed by reference to the Term SOFR Rate, the EURIBOR Rate or Daily Simple RFR with respect to Dollars hereunder shall be computed on the basis of a year of 360 days. Interest computed by reference to the Adjusted Term CORRA Rate, the Daily Simple RFR with respect to Canadian Dollars or Sterling, the Canadian Prime Rate or the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year). In each case interest shall be payable for the actual number of days elapsed

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(including the first day but excluding the last day). All interest hereunder on any Loan shall be computed on a daily basis based upon the outstanding principal amount of such Loan as of the applicable date of determination. The applicable Alternate Base Rate, Adjusted Term SOFR Rate, Term SOFR Rate, Adjusted Term

CORRA Rate, Adjusted Term CORRA Rate, EURIBOR Rate, Adjusted EURIBOR Rate, Adjusted Daily Simple RFR or Daily Simple RFR shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

#### **SECTION 2.14 Alternate Rate of Interest**

(a) Subject to clauses (b), (c), (d), (e) and (f) of this **Section 2.14**, if:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, that adequate and reasonable means do not exist for ascertaining the Adjusted Term SOFR Rate, the Term SOFR Rate, the Adjusted Term CORRA Rate, the Term CORRA Rate, the EURIBOR Rate or the Adjusted EURIBOR Rate (including because the Relevant Screen Rate is not available or published on a current basis), for the applicable Agreed Currency and such Interest Period or (B) at any time, that adequate and reasonable means do not exist for ascertaining the applicable Adjusted Daily Simple RFR, Daily Simple RFR or RFR for the applicable Agreed Currency; or

(ii) the Administrative Agent is advised by the Required Lenders that (A) prior to the commencement of any Interest Period for a Term Benchmark Borrowing, the Adjusted Term SOFR Rate, the Adjusted Term CORRA Rate or the Adjusted EURIBOR Rate for the applicable Agreed Currency and such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for the applicable Agreed Currency and such Interest Period or (B) at any time, the applicable Adjusted Daily Simple RFR for the applicable Agreed Currency will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for the applicable Agreed Currency;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone, telecopy or electronic mail as promptly as practicable thereafter and, until (x) the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower delivers a new Interest Election Request in accordance with the terms of Section 2.08 or a new Borrowing Request in accordance with the terms of Section 2.03, (A) for Loans denominated in Dollars, (1) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing and any Borrowing Request that requests a Term Benchmark Borrowing shall instead be deemed to be an Interest Election Request or a Borrowing Request, as applicable, for (x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not also the subject of Section 2.14(a)(i) or (ii) above or (y) an ABR Borrowing if the Adjusted Daily Simple RFR for Dollar Borrowings also is the subject of Section 2.14(a)(i) or (ii) above and (2) any Borrowing Request that requests an RFR Borrowing shall instead be deemed to be a Borrowing Request, as applicable, for an ABR Borrowing and (B) for Loans denominated in a Foreign Currency, any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Term Benchmark Borrowing and any Borrowing Request that requests a Term Benchmark Borrowing or an RFR Borrowing, in each case, for the relevant Benchmark, shall be ineffective; provided that if the

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circumstances giving rise to such notice affect only one Type of Borrowings, then all other Types of Borrowings shall be permitted. Furthermore, if any Term Benchmark Loan or RFR Loan in any Agreed Currency is outstanding on the date of the Borrower's receipt of the notice from the Administrative Agent referred to in this Section 2.14(a) with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until (x) the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist with respect to the relevant Benchmark and (y) the Borrower delivers a new Interest Election Request in accordance with the terms of Section 2.08 or a new Borrowing Request in accordance with the terms of Section 2.03, (A) for Loans denominated in Dollars, (1) 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, (x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not also the subject of Section 2.14(a)(i) or (ii) above or (y) an ABR Loan if the Adjusted Daily Simple RFR for Dollar Borrowings also is the subject of Section 2.14(a)(i) or (ii) above, on such day, and (2) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan and (B) for Loans denominated in a Foreign Currency, (1) 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 Foreign Currency plus the CBR Spread (or in the case of a Loan in Canadian Dollars, the Canadian Prime Rate); 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 Foreign Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Foreign Currency shall, at the Borrower's election prior to such day: (A) be prepaid by the Borrower on such day or (B) solely for the purpose of calculating the interest rate applicable to such Term Benchmark Loan, such Term Benchmark Loan denominated in any Foreign 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 (2) any RFR Loan shall bear interest at the Central Bank Rate

for the applicable Foreign Currency plus the CBR Spread (or in the case of a Loan in Canadian Dollars, the Canadian Prime Rate); 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 Foreign Currency cannot be determined, any outstanding affected RFR Loans denominated in any Foreign 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 Foreign Currency) immediately or (B) be prepaid in full immediately.

(b) Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" with respect to Dollars and/or Canadian Dollars for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" with respect to any Agreed Currency for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other

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Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(c) Notwithstanding anything to the contrary herein or in any other Loan Document, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. Notwithstanding anything to the contrary herein or in any other Loan Document and subject to the proviso below in this paragraph, with respect to a Loan denominated in Canadian Dollars, if a Term CORRA Reelection Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or 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; provided that, this sentence shall not be effective unless the Administrative Agent has delivered to the Lenders and the Borrower a Term CORRA Notice. For the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term CORRA Notice after the occurrence of a Term CORRA Reelection Event and may do so in its sole discretion.

(d) The Administrative Agent will promptly notify the Borrower and the Lenders of (i) any occurrence of a Benchmark Transition Event, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (f) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.14, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.14.

(e) Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Rate, Term CORRA 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) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (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 or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

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(f) Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Term Benchmark Borrowing or RFR Borrowing of, conversion to or continuation of Term Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, either (x) the Borrower will be deemed to have converted any request for (1) a Term Benchmark Borrowing denominated in Dollars into a request for a Borrowing of or conversion to (A) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not the subject of a Benchmark Transition Event or (B) an ABR Borrowing if the Adjusted Daily Simple RFR for Dollar Borrowings is the subject of a Benchmark Transition Event or (y) any Term Benchmark Borrowing or RFR Borrowing denominated in a Foreign Currency shall be ineffective. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR. Furthermore, if any Term Benchmark Loan or RFR Loan in any Agreed Currency is outstanding on the date of the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a Relevant Rate applicable to such Term Benchmark Loan or RFR Loan, then until such time as a Benchmark Replacement for such Agreed Currency is implemented pursuant to this Section 2.14, (A) for Loans denominated in Dollars, (1) 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, (x) an RFR Borrowing denominated in Dollars so long as the Adjusted Daily Simple RFR for Dollar Borrowings is not the subject of a Benchmark Transition Event or (y) an ABR Loan if the Adjusted Daily Simple RFR for Dollar Borrowings is the subject of a Benchmark Transition Event, on such day and (2) any RFR Loan shall on and from such day be converted by the Administrative Agent to, and shall constitute an ABR Loan and (B) for Loans denominated in a Foreign Currency, (1) 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 Foreign Currency plus the CBR Spread (or, in the case of a Loan in Canadian Dollars, the Canadian Prime Rate); 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 Foreign Currency cannot be determined, any outstanding affected Term Benchmark Loans denominated in any Foreign Currency shall, at the Borrower's election prior to such day: 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 Foreign 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 (or, in the case of a Loan in Canadian Dollars, the Canadian Prime Rate) and (2) any RFR Loan shall bear interest at the Central Bank Rate for the applicable Foreign Currency plus the CBR Spread (or, in the case of a Loan in Canadian Dollars, the Canadian Prime Rate); 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 Foreign Currency cannot be determined, any outstanding affected RFR Loans denominated in any Foreign 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 Foreign Currency) immediately or (B) be prepaid in full immediately.

**SECTION 2.15 Increased Costs.** (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other

assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted Term SOFR Rate, Adjusted Term CORRA Rate or Adjusted EURIBOR Rate, as applicable) or any Issuing Bank;

(ii) impose on any Lender or any Issuing Bank or the applicable market for the applicable Agreed Currency any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) with respect to its loans, letters of credit, commitments, or other obligations, or its deposits, reserves,

other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, continuing, converting into or maintaining any Loan or of maintaining its obligation to make any such Loan or to increase the cost to such Lender, such Issuing Bank or such other Recipient of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender, such Issuing Bank or such other Recipient hereunder, whether of principal, interest or otherwise, then the Borrower will pay to such Lender, such Issuing Bank or such other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, such Issuing Bank or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or any Issuing Bank determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such Issuing Bank's capital or on the capital of such Lender's or such Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Bank's policies and the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy and liquidity), then from time to time the Borrower will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company for any such reduction suffered.

(c) A certificate of a Lender or an Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or such Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or such Issuing Bank, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Failure or delay on the part of any Lender or any Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or an Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 270 days prior to the date that such Lender or such Issuing Bank, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such

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Lender's or such Issuing Bank's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

**SECTION 2.16 Break Funding Payments.** (a) With respect to Loans that are Term Benchmark Loans, in the event of (i) the payment of any principal of any Term Benchmark Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the conversion of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto, (iii) the failure to borrow, convert, continue or prepay any Term Benchmark Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(b) and is revoked in accordance therewith), (iv) the assignment of any Term Benchmark Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.19 or (v) the failure by the Borrower to make any payment of any Loan or drawing under any Letter of Credit (or interest due thereof) denominated in a Foreign Currency on its scheduled due date or any payment thereof in a different currency, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(b) With respect to Loans that are RFR Loans, in the event of (i) the payment of any principal of any RFR Loan other than on the Interest Payment Date applicable thereto (including as a result of an Event of Default or an optional or mandatory prepayment of Loans), (ii) the failure to borrow or prepay any RFR Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(b) and is revoked in accordance therewith), (iii) the assignment of any RFR Loan other than on the Interest Payment Date applicable thereto as a result of a request by the Borrower pursuant to Section 2.19 or (iv) the failure by the Borrower to make any payment of any Loan or drawing under any Letter of Credit (or interest due thereof) denominated in a Foreign Currency on its scheduled due date or any payment thereof in a different currency, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. A certificate of any Lender setting forth any amount or amounts that such Lender

is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

**SECTION 2.17 Taxes.** (a) **Payments Free of Taxes.** All payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by any applicable withholding agent, then the applicable withholding agent 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 and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.17) each Lender (or, in the case of a payment made to the Administrative Agent for its own account, the Administrative Agent) receives an amount equal to the sum it would have received had no such deduction or withholding been made.

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(b) **Payment of Other Taxes by the Borrower.** The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(c) **Evidence of Payments.** As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 2.17, 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.

(d) **Indemnification by the Borrower.** The Borrower shall indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.17) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the 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.

(e) **[Reserved].**

(f) **Status of Lenders.** (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements.

(ii) **Without limiting the generality of the foregoing:**

(A) any Lender that is a U.S. Person 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 Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding Tax;

(B) any Foreign Lender shall, to the extent it is legally eligible to do so, deliver to the Borrower and the Administrative Agent on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable;

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(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party, executed originals of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, establishing an applicable exemption from, or reduction of, U.S. federal withholding Tax pursuant to such tax treaty;

(2) executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit F-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" related to any Borrower as described in Section 881(c)(3)(C) of the Code and no payments under any Loan Documents are effectively connected with such Lender's conduct of a U.S. trade or business (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable; or

(4) to the extent a Foreign Lender is not the beneficial owner (for example, where the Lender is a partnership or a participating Lender), executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-2 or Exhibit F-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and not a participating Lender, and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-4 on behalf of such direct and indirect partner(s);

(C) any Foreign Lender shall, to the extent it is legally eligible to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of any other documentation prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction, if any, required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with any requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable

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request by the Borrower or the Administrative Agent) such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA, to determine whether such Lender has complied with such Lender's obligations under FATCA and to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any documentation it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such documentation or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so. Each Lender hereby authorizes the Administrative Agent to deliver to the Loan Parties and to any successor Administrative Agent any documentation provided by such Lender to the Administrative Agent pursuant to this Section 2.17(f). Notwithstanding any other provision of this Section 2.17(f), a Lender shall not be required to deliver any documentation that such Lender is not legally eligible to deliver.

(g) **Treatment of Certain Refunds.** If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.17 (including by the payment of additional amounts pursuant to this Section 2.17), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.17 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 2.17(g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.17(g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 2.17(g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 2.17(g) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) **Survival.** Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(i) **Defined Terms.** For purposes of this Section 2.17, the term "Lender" includes each Issuing Bank and the term "applicable law" includes FATCA.

## SECTION 2.18 Payments Generally; Pro Rata Treatment; Sharing of Set-offs.

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(a) The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.15, 2.16 or 2.17, or otherwise) prior to (i) in the case of payments denominated in Dollars, 2:00 p.m., New York City time, and (ii) in the case of payments denominated in a Foreign Currency, 2:00 p.m., Local Time, in the city of the Administrative Agent's Foreign Currency Payment Office for such currency, in each case on the date when due or the date fixed for any prepayment hereunder, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made (i) in the same currency in which the applicable Credit Event was made (or where such currency has been converted to euro, in euro) and (ii) to the Administrative Agent at its offices at 383 Madison Avenue, New York, New York, or, in the case of a Credit Event denominated in a Foreign Currency, the Administrative Agent's Foreign Currency Payment Office for such currency, except payments to be made directly to Issuing Banks as expressly provided herein and except that payments pursuant to Sections 2.15, 2.16, 2.17 and 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments denominated in the same currency received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. Notwithstanding the foregoing provisions of this clause (a), if, after the making of any Credit Event in any Foreign Currency, currency control or exchange regulations are imposed in the country which issues such currency with the result that the type of currency in which the Credit Event was made (the "Original Currency") no longer exists or the Borrower is not able to make payment to the Administrative Agent for the account of the Lenders in such Original Currency, then all payments to be made by the Borrower hereunder in such currency shall instead be made when due in Dollars in an amount equal to the Dollar Amount (as of the date of repayment) of such payment due, it being the intention of the parties hereto that the Borrower takes all risks of the imposition of any such currency control or exchange regulations.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or participations in LC Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and participations in LC Disbursements and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater

proportion shall purchase (for cash at face value) participations in the Loans and participations in LC Disbursements of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and participations in LC Disbursements; 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

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provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). The Borrower 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 the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation. For purposes of clause (b)(i) of the definition of "Excluded Taxes," a participation acquired pursuant to this Section 2.18(c) shall be treated as having been acquired on the earlier date(s) on which the applicable Lender acquired the applicable interest in the Commitment(s) or Loan(s) to which such participation relates.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Banks hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Banks, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or each of the Issuing Banks, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or such Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the applicable Overnight Rate.

(e) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.06(d) or (e), 2.07(b), 2.18(d) or 9.03(c), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender and for the benefit of the Administrative Agent or the Issuing Banks to satisfy such Lender's obligations to it under such Section until all such unsatisfied obligations are fully paid and/or (ii) hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender under any such Section; in the case of each of clauses (i) and (ii) above, in any order as determined by the Administrative Agent in its discretion.

**SECTION 2.19 Mitigation Obligations; Replacement of Lenders.** (a) If any Lender requests compensation under Section 2.15, or the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.15 or 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If (i) any Lender requests compensation under Section 2.15, (ii) the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17 or (iii) any Lender becomes a Defaulting 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 Section 9.04), all its interests, rights (other than its existing rights to payments pursuant to Sections 2.15 or 2.17) and obligations under the Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment) and notwithstanding anything in Section 9.04 to the contrary, such assignment and delegation shall be deemed effective with respect to such Lender whether or not such Lender enters into an Assignment and Assumption; provided that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, 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) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

**SECTION 2.20 Expansion Option.** The Borrower may from time to time elect to increase the Commitments in minimum increments of \$25,000,000 so long as, after giving effect thereto, the aggregate amount of such increases does not exceed the greater of (x) \$250,000,000 and (y) 35% of Consolidated Adjusted EBITDA. The Borrower may arrange for any such increase to be provided by one or more Lenders (each Lender so agreeing to an increase in its Commitment, an "Increasing Lender"), or by one or more new banks, financial institutions or other entities (each such new bank, financial institution or other entity, an "Augmenting Lender"), to increase their existing Commitments or extend Commitments, as the case may be; provided that (i) each Augmenting Lender shall be subject to the approval of the Borrower and the Administrative Agent, (ii) no Augmenting Lender shall be an Ineligible Institution and (iii) (x) in the case of an Increasing Lender, the Borrower and such Increasing Lender execute an agreement substantially in the form of Exhibit B hereto, and (y) in the case of an Augmenting Lender, the Borrower and such Augmenting Lender execute an agreement substantially in the form of Exhibit C hereto. No consent of any Lender (other than the Lenders participating in the increase) shall be required for any increase in Commitments pursuant to this Section 2.20. Increases and new Commitments created pursuant to this Section 2.20 shall become effective on the date agreed by the Borrower, the Administrative Agent and the relevant Increasing Lenders or Augmenting Lenders, and the Administrative Agent shall notify each Lender thereof. Notwithstanding the foregoing, no increase in the Commitments (or in the Commitment of any Lender) shall become effective under this paragraph unless, (i) on the proposed date of the effectiveness of such increase, (A) the conditions set forth in paragraphs (a) and (b) of Section 4.02 (without giving effect to the first parenthetical in Section 4.02(a)) shall be satisfied or waived by the Required Lenders and the Administrative Agent shall have received a certificate to that effect dated such date and executed by a Financial Officer of the Borrower and (B) the Borrower shall be in compliance (on a pro forma basis) with the covenant contained in Section 6.05 and (ii) the Administrative Agent shall have received documents consistent with those delivered on the Effective Date as to the corporate power and authority of the Borrower to borrow hereunder after giving effect to such increase. On the effective date of any increase in the Commitments, (i) each relevant Increasing Lender and Augmenting Lender shall make available to the Administrative Agent such amounts in immediately available funds as the Administrative Agent shall determine, for the benefit of the other Lenders, as being required in order to cause, after giving effect to such increase and the use of such amounts to make payments to such other Lenders, each Lender's portion of the outstanding Loans of

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all the Lenders to equal its Applicable Percentage of such outstanding Loans, and (ii) the Borrower shall be deemed to have repaid and reborrowed all outstanding Loans as of the date of any increase in the Commitments (with such reborrowing to consist of the Types of Loans, with related Interest Periods if applicable, specified in a notice delivered by the Borrower, in accordance with the requirements of Section 2.03). The deemed payments made pursuant to clause (ii) of the immediately preceding sentence shall be accompanied by payment of all accrued interest on the amount prepaid and, in respect of each Term Benchmark Loan, shall be subject to indemnification by the Borrower pursuant to the provisions of Section 2.16 if the deemed payment occurs other than on the last day of the related Interest Periods. Nothing contained in this Section 2.20 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Commitment hereunder at any time.

**SECTION 2.21 Judgment Currency.** If for the purposes of obtaining judgment in any court it is necessary to convert a sum due from the Borrower hereunder in the currency expressed to be payable herein (the "specified currency") into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the specified currency with such other currency at the Administrative Agent's main New York City office on the Business Day preceding that on which final, non-appealable judgment is given. The obligations of the Borrower in respect of any sum due to any Lender or the Administrative Agent hereunder shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Administrative Agent (as the case may be) of any sum adjudged to be so due in such other currency such Lender or the Administrative Agent (as the case may be) may in accordance with normal, reasonable banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to such Lender or the Administrative Agent, as the case may be, in the specified currency, the Borrower agrees, to

the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Administrative Agent, as the case may be, against such loss, and if the amount of the specified currency so purchased exceeds (a) the sum originally due to any Lender or the Administrative Agent, as the case may be, in the specified currency and (b) any amounts shared with other Lenders as a result of allocations of such excess as a disproportionate payment to such Lender under Section 2.18, such Lender or the Administrative Agent, as the case may be, agrees to remit such excess to the Borrower.

**SECTION 2.22 Defaulting Lenders.** Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

- (a) fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 2.12(a);
- (b) 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 Section 7.03 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.08 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 any Issuing Bank hereunder; third, to cash collateralize LC Exposure with respect to such Defaulting Lender in accordance with this Section 2.22; fourth, as the Borrower may

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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 the Borrower, 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 future LC Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with this Section 2.22; sixth, to the payment of any amounts owing to the Lenders or the Issuing Banks 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 or under any other Loan Document; seventh, so long as no Default or Event of Default exists, 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 or under any other Loan Document; 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 LC Disbursements 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 LC Disbursements owed to, all non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or LC Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in the Borrower's obligations corresponding to such Defaulting Lender's LC Exposure are held by the Lenders pro rata in accordance with the Commitments without giving effect to clause (d) below. 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 2.22 shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(c) the Commitments and Revolving Credit Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 9.02); provided, that, except as otherwise provided in Section 9.02, this clause (c) shall not apply to the vote of a Defaulting Lender in the case of an amendment, waiver or other modification requiring the consent of such Lender or each Lender directly affected thereby;

- (d) if any LC Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent that (x) the sum of all non-Defaulting Lenders' Revolving Credit Exposures plus such Defaulting Lender's LC Exposure does not exceed the total of all non-Defaulting Lenders' Commitments and (y) no Default has occurred and is continuing at such time;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within two (2) Business Days following notice by the Administrative Agent cash collateralize for the benefit of each Issuing Bank only the Borrower's obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial

reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.06(j) for so long as such LC Exposure is outstanding;

(iii) if the Borrower cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.12(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 2.12(a) and Section 2.12(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of the relevant Issuing Bank or any other Lender hereunder, all letter of credit fees payable under Section 2.12(b) with respect to such Defaulting Lender's LC Exposure shall be payable to such Issuing Bank until and to the extent that such LC Exposure is reallocated and/or cash collateralized; and

(e) so long as such Lender is a Defaulting Lender, the relevant Issuing Bank shall not be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure and the Defaulting Lender's then outstanding LC Exposure will be 100% covered by the Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Borrower in accordance with Section 2.22(d), and participating interests in any newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.22(d)(i) (and such Defaulting Lender shall not participate therein).

If (i) a Bankruptcy Event or Bail-In Action with respect to a Parent of any Lender shall occur following the date hereof and for so long as such event shall continue or (ii) any Issuing Bank has actual knowledge that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless the relevant Issuing Bank shall have entered into arrangements with the Borrower or such Lender, satisfactory to such Issuing Bank to defuse any risk to it in respect of such Lender hereunder.

In the event that the Administrative Agent, the Borrower and each Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage.

**SECTION 2.23 Extension Option.** (a) The Borrower may, by delivering an Extension Request to the Administrative Agent (who shall promptly deliver a copy to each of the Lenders), not less than 30 days in advance of the Maturity Date in effect at such time (the "Existing Maturity Date"), request that the Lenders extend the Existing Maturity Date to the first anniversary of such Existing Maturity Date. Each Lender, acting in its sole discretion, shall, by written notice to the Administrative

Agent given not later than the date that is the 15th day after the date of the Extension Request, or if such date is not a Business Day, the immediately following Business Day (the "Response Date"), advise the Administrative Agent in writing whether or not such Lender agrees to the requested extension. Each Lender that advises the Administrative Agent that it will not extend the Existing Maturity Date is referred to herein as a "Non-Extending Lender"; provided, that any Lender that does not advise the Administrative Agent of its consent to such requested extension by the Response Date and any Lender that is a Defaulting Lender on the Response Date shall be deemed to be a Non-Extending Lender. The Administrative Agent shall notify the Borrower, in writing, of the Lenders' elections promptly

following the Response Date. The election of any Lender to agree to such an extension shall not obligate any other Lender to so agree. The Maturity Date may be extended no more than two times pursuant to this Section 2.23.

(b) (i) If, by the Response Date, Lenders holding Commitments that represent 50% or more of the total Commitments shall constitute Non-Extending Lenders, then the Existing Maturity Date shall not be extended and the outstanding principal balance of all Loans and other amounts payable hereunder shall be payable, and the Commitments shall terminate, on the Existing Maturity Date in effect prior to such extension.

(ii) If, by the Response Date, Lenders holding Commitments that represent more than 50% of the total Commitments shall have agreed to extend the Existing Maturity Date (each such consenting Lender, an "Extending Lender"), then, effective as of the applicable date of effectiveness of such maturity extension, the Maturity Date for such Extending Lenders shall be extended to the first anniversary of the Existing Maturity Date (subject to satisfaction of the conditions set forth in Section 2.23(d)). In the event of such extension, the Commitment of each Non-Extending Lender shall terminate on the Existing Maturity Date in effect for such Non-Extending Lender prior to such extension and the outstanding principal balance of all Loans and other amounts payable hereunder to such Non-Extending Lender shall become due and payable on such Existing Maturity Date and, subject to Section 2.23(c) below, the total Commitments hereunder shall be reduced by the Commitments of the Non-Extending Lenders so terminated on such Existing Maturity Date.

(c) In the event of any extension of the Existing Maturity Date pursuant to Section 2.23(b)(ii), the Borrower shall have the right on or before the Existing Maturity Date, at its own expense, to require any Non-Extending Lender to transfer and assign without recourse (in accordance with and subject to the restrictions contained in Section 9.04) all its interests, rights (other than its rights to payments pursuant to Section 2.15, Section 2.16, Section 2.17 or Section 9.03 arising prior to the effectiveness of such assignment) and obligations under this Agreement to one or more banks or other financial institutions identified to the Non-Extending Lender by the Borrower, which may include any existing Lender (each a "Replacement Lender"); provided that (i) such Replacement Lender, if not already a Lender hereunder, shall be subject to the approval of the Administrative Agent and each Issuing Bank (such approvals to not be unreasonably withheld) to the extent the consent of the Administrative Agent or the Issuing Banks would be required to effect an assignment under Section 9.04(b), (ii) such assignment shall become effective as of a date specified by the Borrower (which shall not be later than the Existing Maturity Date in effect for such Non-Extending Lender prior to the effective date of the requested extension) and (iii) the Replacement Lender shall pay to such Non-Extending Lender in immediately available funds on the effective date of such assignment the principal of and interest accrued to the date of payment on the outstanding principal amount Loans made by it hereunder and all other amounts accrued and unpaid for its account or otherwise owed to it hereunder on such date.

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(d) As a condition precedent to each such extension of the Existing Maturity Date pursuant to Section 2.23(b)(ii), (x) both before and immediately after giving effect to such extension, (A) the representations and warranties of the Borrower set forth in this Agreement shall be true and correct in all material respects (except that any such representation or warranty that is qualified as to "materiality" or "Material Adverse Effect" shall be true and correct in all respects) and (B) no Default shall have occurred and be continuing and (y) the Borrower shall (i) deliver to the Administrative Agent a certificate of the Borrower dated as of the Existing Maturity Date signed by a Financial Officer of the Borrower certifying that, as of such date, the conditions set forth in clause (x) above are satisfied, (ii) deliver to the Administrative Agent (1) documentation entered into by the Borrower, the Administrative Agent and each Extending Lender and Replacement Lender providing for such amendments to this Agreement as the Administrative Agent determines to be reasonably necessary to evidence such extension and (2) such other approvals, opinions or documents as any Lender participating in such extension may reasonably request through the Administrative Agent and (iii) first make such prepayments of the outstanding Loans and second provide such cash collateral (or make such other arrangements satisfactory to the applicable Issuing Bank) with respect to the outstanding Letters of Credit as shall be required such that, after giving effect to the termination of the Commitments of the Non-Extending Lenders pursuant to Section 2.23(b) and any assignment pursuant to Section 2.23(c), the aggregate Revolving Credit Exposure less the face amount of any Letter of Credit supported by any such cash collateral (or other satisfactory arrangements) so provided does not exceed the aggregate amount of Commitments being extended.

(e) For the avoidance of doubt, (i) no consent of any Lender (other than the existing Lenders participating in the extension of the Existing Maturity Date) shall be required for any extension of the Maturity Date pursuant to this Section 2.23 and (ii) the operation of this Section 2.23 in accordance with its terms is not an amendment subject to Section 9.02.

### Article III

#### Representations and Warranties

The Borrower represents and warrants to the Lenders, in each case after giving effect to the Transactions, that:

**SECTION 3.01 Organization; Powers; Subsidiaries.** The Borrower is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or

in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required. As of the Effective Date, Schedule 3.01 to the Disclosure Letter identifies each Subsidiary, noting whether such Subsidiary is a Material Domestic Subsidiary, the jurisdiction of its incorporation or organization, as the case may be, the percentage of issued and outstanding shares of each class of its capital stock or other equity interests owned by the Borrower and the other Subsidiaries and, if such percentage is not 100% (excluding directors' qualifying shares as required by law or shares held by nominees on behalf of the Borrower or any Subsidiary as required by law), a description of each class issued and outstanding. As of the Effective Date, all of the outstanding shares of capital stock and other equity interests of each Material Domestic Subsidiary are validly issued and outstanding and fully paid and nonassessable (to the extent such concepts exists and/or is applicable) and all such shares and other equity interests indicated on Schedule 3.01 to the Disclosure Letter as owned by the Borrower or another Subsidiary are owned, beneficially and of record, by the Borrower or any Subsidiary free and clear of all

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Liens (other than Permitted Encumbrances). Except as set forth in Schedule 3.01 to the Disclosure Letter, as of the Effective Date there are no outstanding commitments or other obligations of the Material Domestic Subsidiaries to issue, and no options, warrants or other rights of any Person to acquire, any shares of any class of capital stock or other equity interests of such Material Domestic Subsidiary.

**SECTION 3.02 Authorization; Enforceability.** The Transactions are within the Borrower's organizational powers and have been duly authorized by all necessary organizational actions and, if required, actions by equity holders. The Loan Documents to which the Borrower is a party have been duly executed and delivered by the Borrower and constitute a legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

**SECTION 3.03 Governmental Approvals; No Conflicts.** Except to the extent reasonably expected to result in a Material Adverse Effect (other than with respect to violation of the charter, by-laws or organizational documents of the Borrower), the Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect or as set forth on Schedule 3.03 to the Disclosure Letter, (b) will not violate any applicable law or regulation or the charter, by-laws or other organizational documents of the Borrower or any order of any Governmental Authority, (c) will not violate or result in a default under any indenture, material agreement or other material instrument binding upon the Borrower or its assets, or give rise to a right thereunder to require any payment to be made by the Borrower, and (d) will not result in the creation or imposition of any Lien on any asset of the Borrower.

**SECTION 3.04 Financial Condition; No Material Adverse Change.** (a) The Borrower has heretofore furnished to the Administrative Agent and the Lenders (i) the audited consolidated financial statements of the Borrower, Zynga, and their respective Subsidiaries consisting of balance sheets as of and for March 31, 2022 and March 31, 2021 (in the case of the Borrower) and December 31, 2021 and December 31, 2020 (in the case of Zynga) and the related statements of income and cash flows for such fiscal years, in each case, prepared in accordance with GAAP (collectively, the "Audited Financial Statements") and (ii) the unaudited consolidated financial statements of Zynga and its subsidiaries consisting of balance sheets as of and for the fiscal quarter ended March 31, 2022 (the last date of the last such applicable fiscal year or fiscal quarter, the "Financial Statements Date") and the related statements of income and cash flows for the portion of the fiscal year then ended, in each case, prepared in accordance with GAAP in all material respects or except as set forth therein (the "Unaudited Financial Statements"; provided that, for the avoidance of doubt, the foregoing representation is deemed satisfied as of the date hereof by the prior public filing with the SEC of the Audited Financial Statements and the Unaudited Financial Statements by the Borrower and Zynga, as applicable.). Such financial statements have been prepared in good faith, based on assumptions believed by the Borrower to be reasonable as of the date of delivery thereof, and present fairly, in all material respects, the financial position and results of operations and cash flows of the Borrower and its consolidated Subsidiaries (other than Zynga and its consolidated Subsidiaries) and Zynga and its consolidated Subsidiaries, as applicable, as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(b) The unaudited pro forma consolidated balance sheet for the Borrower prepared as of the Financial Statements Date, prepared so as to give effect to the Transaction as if the Transactions had occurred as of such date or at the beginning of such period, as applicable (which need not be prepared

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in compliance with Regulations S-X of the Securities Act of 1933, as amended (the "Pro Forma Financial Statements"), copies of which have heretofore been furnished to the Administrative Agent and the Lenders; provided that, for the avoidance of doubt, the foregoing representation is deemed satisfied as of the date hereof by the prior public filing with the SEC of the Pro Forma Financial Statements by the Borrower. The Pro Forma Financial Statements have been prepared in good faith, based on assumptions believed by the Borrower to be reasonable as of the date of delivery thereof, and present fairly in all material respects on a pro forma basis the estimated financial position of the Borrower and its Subsidiaries as at the Financial Statements Date disclosed therein and their estimated results of operations for the period covered thereby.

(c) Since March 31, 2022, there has been no Material Adverse Effect.

**SECTION 3.05 Properties.** Each of the Borrower and its Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property material to its business, except to the extent the insufficiency of such title or interests, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

**SECTION 3.06 Litigation, Environmental and Labor Matters.** (a) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened in writing against the Borrower or any of its Subsidiaries as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

(b) Except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither the Borrower nor any of its Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

(c) There are no strikes, lockouts or slowdowns against the Borrower or any of its Subsidiaries pending or, to their knowledge, threatened in writing that could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect. The hours worked by and payments made to employees of the Borrower and its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Federal, state, local or foreign law relating to such matters, to the extent such violations, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. All material payments due from the Borrower or any of its Subsidiaries, or for which any claim may be made against the Borrower or any of its Subsidiaries, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as liabilities on the books of the Borrower or such Subsidiary, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The consummation of the Transactions will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement under which the Borrower or any of its Subsidiaries is bound that could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

**SECTION 3.07 Compliance with Laws and Agreements.** Each of the Borrower and its Subsidiaries is in compliance with all laws, regulations and orders of any Governmental Authority.

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applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except, in each case, where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

**SECTION 3.08 Investment Company Status.** Neither the Borrower nor any of its Subsidiaries is an "investment company" as defined in, or subject to regulation under, the Investment Company Act of 1940.

**SECTION 3.09 Taxes.** Each of the Borrower and its Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Borrower or such Subsidiary, as applicable, has set aside on its books adequate reserves in accordance with GAAP or (b) to the extent that the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

**SECTION 3.10 ERISA.** No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect.

**SECTION 3.11 Disclosure.** Neither the Lender Presentation nor any of the other reports, financial statements, certificates or other written or formally presented information furnished by or on behalf of the Borrower or any Subsidiary 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, when furnished and taken as a whole, and taken as a whole with the Borrower's filings with the SEC, any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading at such time (after giving effect to all supplements so furnished from time to time) in light of the circumstances under which such information or data was furnished.

**SECTION 3.12 Federal Reserve Regulations.** No part of the proceeds of (i) any Loan or (ii) to the knowledge of the Borrower, any Subsidiary, or their respective directors, officers and employees, any Letter of Credit, in each case, have been used or will be used directly by the Borrower or its Subsidiaries for any purpose that entails a violation of any of the Regulations of the Federal Reserve Board, including Regulations T, U and X.

**SECTION 3.13 No Default.** No Default or Event of Default has occurred and is continuing.

**SECTION 3.14 Anti-Corruption Laws and Sanctions.** The Borrower has implemented and maintains in effect policies and procedures for compliance by the Borrower, its Subsidiaries and their respective directors, officers and employees with Anti-Corruption Laws and applicable Sanctions. The Borrower and its Subsidiaries and, to the knowledge of the Borrower and its Subsidiaries, their respective directors, officers, employees, agents and affiliates, are in compliance in all material respects with Anti-Corruption Laws and applicable Sanctions. None of the Borrower, any Subsidiary or, to the knowledge of the Borrower or such Subsidiary, any of their respective directors, officers, employees, agents or affiliates is a Sanctioned Person.

(b) No Borrowing or Letter of Credit, use of proceeds or the Transactions will violate any Anti-Corruption Law or applicable Sanctions.

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**SECTION 3.15 Affected Financial Institutions.** The Borrower is not an Affected Financial Institution.

Article IV  
Conditions

**SECTION 4.01 Effective Date.** The obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent (or its counsel) shall have received (i) from each party hereto either (A) a counterpart of this Agreement signed on behalf of such party or (B) written evidence (which may include telecopy or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement and (ii) duly executed copies of the Loan Documents and such other legal opinions, certificates, documents, instruments and agreements described in the list of closing documents attached as Exhibit D.

(b) The Administrative Agent shall have received a customary written opinion (addressed to the Administrative Agent and the Lenders and dated the Effective Date) of Willkie Farr & Gallagher LLP, counsel for the Borrower, covering customary matters relating to the Borrower, the Loan Documents and the Transactions. The Borrower hereby requests such counsel to deliver such opinion.

(c) The Lenders shall have received the Audited Financial Statements, the Unaudited Financial Statements and the Pro Forma Financial Statements. For the avoidance of doubt, this condition is deemed satisfied by the public filing of the Audited Financial Statements, the Unaudited Financial Statements, and the Pro Forma Financial Statements by the Borrower and Zynga as of the date hereof.

(d) The Administrative Agent shall have received such documents and certificates relating to the organization, existence and good standing of the Borrower, the authorization of the Transactions and any other legal matters relating to the Borrower, the Loan Documents or the Transactions described in the list of closing documents attached as Exhibit D.

(e) The Administrative Agent shall have received a certificate, dated the Effective Date and signed by the Chief Executive Officer or a Financial Officer of the Borrower, confirming compliance with the conditions set forth in paragraph (i) of this Section 4.01.

(f) The Lenders, the Administrative Agent and the Arrangers shall have received all fees and other amounts due and payable on or prior to the Effective Date, including, to the extent invoiced at least three (3) Business Days prior to the Effective Date, reimbursement or payment of all reasonable out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder.

(g) The Administrative Agent shall have received customary evidence that the Effective Date Refinancing shall have occurred or, substantially concurrently with the initial Borrowing under the Facilities, shall occur (other than any Effective Date Refinancing to be made on an Existing Zynga Notes Fundamental Change Settlement Date).

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(h) (i) The Administrative Agent shall have received, at least five (5) days prior to the Effective Date, all documentation and other information regarding the Borrower requested in connection with applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act, to the extent requested in writing of the Borrower at least 10 days prior to the Effective Date and (ii) to the extent the Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, at least five (5) days prior to the Effective Date, any Lender that has requested, in a written notice to the Borrower at least 10 days prior to the Effective Date, a Beneficial Ownership Certification in relation to the Borrower shall have received such Beneficial Ownership Certification (provided that, upon the execution and delivery by such Lender of its signature page to this Agreement, the condition set forth in this clause (ii) shall be deemed to be satisfied).

(i) The Merger Agreement shall not have been altered, amended or otherwise changed or supplemented or any provision waived or consented to in a manner that, when taken as a whole, is materially adverse to the Lenders (including any reduction in the acquisition consideration that does not meet the criteria below) without the prior written consent of the Arrangers (such consent not to be unreasonably withheld, delayed or conditioned); it being understood that (i) any change in the Cash Consideration (as defined in the Merger Agreement as in effect on January 9, 2022 (the "Original Signing Date") not exceeding a 10% increase or decrease in the aggregate Cash Consideration to be paid under the Merger Agreement as in effect on the Original Signing Date will be deemed to not be materially adverse to the interests of the Lenders and will not require the prior written consent of the Arrangers, (ii) any increase in the Stock Consideration (as defined in the Merger Agreement as in effect on the Original Signing Date) will be deemed to not be materially adverse to the interests of the Lenders and will not require the prior written consent of the Arrangers, and (iii) any reduction in the Merger Consideration (as defined in the Merger Agreement as in effect on the Original Signing Date) will be deemed to not be materially adverse to the interests of the Lenders and will not require the prior written consent of the Arrangers as long as the ratio of Cash Consideration to Stock Consideration is not increased from the ratio pursuant to the Merger Agreement as in effect on the Original Signing Date as a result of such reduction. The Combination shall be consummated substantially concurrently with the effectiveness of the Commitments in accordance in all material respects with the Merger Agreement as such terms may be altered, amended or otherwise changed, supplemented, waived or consented to in accordance with the immediately preceding sentence.

(j) Except (i) as disclosed in the Disclosure Schedules (as defined, for purposes of this clause (i), in the Merger Agreement as in effect on the Original Signing Date); provided that (x) the mere inclusion of an item in the Disclosure Schedules as an exception to a representation or warranty shall not be deemed an admission by the Target (as defined, for purposes of this clause (j), in the Merger Agreement as in effect on the Original Signing Date) that such item represents a material exception or fact, event or circumstance or that such item would reasonably be likely to result in a Company Material Adverse Effect (as defined, for purposes of this clause (j), in the Merger Agreement as in effect on the Original Signing Date) on the Target and (y) any disclosures made with respect to a section of Article III of the Merger Agreement shall be deemed to qualify (A) any other section of Article III of the Merger Agreement specifically referenced or cross-referenced and (B) other sections of Article III of the Merger Agreement to the extent it is reasonably apparent on its face (notwithstanding the absence of a specific cross-reference) from a reading of the disclosure that such disclosure applies to such other sections or (ii) as disclosed in

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any Company SEC Reports (as defined, for purposes of this clause (j), in the Merger Agreement as in effect on the Original Signing Date) publicly filed by the Target since December 31, 2018 and prior to the Original Signing Date (other than (x) any information that is contained solely in the "Risk Factors" section of such Company SEC Reports and (y) any forward-looking statements, or other statements that are similarly predictive or forward-looking in nature, in each case, contained in such Company SEC Reports), there has not been any effect, change, event, circumstance, condition, occurrence or development that has or would reasonably be likely to have, either individually or in the aggregate, a Company Material Adverse Effect on the Target.

The Administrative Agent shall notify the Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding.

**SECTION 4.02 Each Credit Event.** The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of the Issuing Banks to issue, amend, increase, renew or extend (but not reduce or shorten) any Letter of Credit (other than any amendment solely to reduce the amount of an outstanding Letter of Credit or to shorten the expiration date of such Letter of Credit), is subject to the satisfaction of the following conditions:

- (a) The representations and warranties of the Borrower set forth in this Agreement (other than, at any time following the Effective Date, the representations and warranties contained in Section 3.04(b) and Section 3.06) shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all respects) on and as of the date of such Borrowing or the date of such issuance, amendment, increase, renewal or extension of such Letter of Credit, as applicable, except, in each case, to the extent such representation and warranty specifically refer to an earlier date, in which case it shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all respects) as of such earlier date.
- (b) At the time of and immediately after giving effect to such Borrowing or such issuance, amendment, increase, renewal or extension of such Letter of Credit, as applicable, no Default or Event of Default shall have occurred and be continuing.
- (c) The Administrative Agent shall have received a duly completed Borrowing Request.

Each Borrowing and each issuance, amendment, increase, renewal or extension (but not reduction or shortening) of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrower on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section.

## Article V

### Affirmative Covenants

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full and all Letters of Credit shall have expired or terminated (in each case without any pending draw), or otherwise become subject to cash

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collateralization or other arrangements reasonably satisfactory to the Administrative Agent, and all LC Disbursements shall have been reimbursed, the Borrower covenants and agrees with the Lenders that:

**SECTION 5.01 Financial Statements and Other Information.** The Borrower will furnish to the Administrative Agent and each Lender:

- (a) within ninety (90) days after the end of each fiscal year of the Borrower (or, if earlier, by the date that the Annual Report on Form 10-K of the Borrower for such fiscal year would be required to be filed under the rules and regulations of the SEC, giving effect to any automatic extension available thereunder for the filing of such form), its audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by Ernst & Young LLP or other independent public accountants of recognized national standing (without a "going concern" or like qualification and without any qualification as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied;
- (b) within forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower (or, if earlier, by the date that the Quarterly Report on Form 10-Q of the Borrower for such fiscal quarter would be required to be filed under the rules and regulations of the SEC, giving effect to any automatic extension available thereunder for the filing of such form), its consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all

certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(c) concurrently with any delivery of financial statements under clause (a) or (b) above, a Compliance Certificate of a Financial Officer of the Borrower (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations demonstrating compliance with Section 6.05 and (iii) setting forth reasonably detailed calculations demonstrating the Leverage Ratio for the period of four (4) consecutive fiscal quarters ending with the end of the applicable fiscal quarter or fiscal year for which such financial statements are to be delivered;

(d) promptly after the same become publicly available, copies of all periodic and other reports and proxy statements filed by the Borrower or any Subsidiary with the SEC, or any Governmental Authority succeeding to any or all of the functions of said Commission (excluding any filing filed confidentially with the SEC or any analogous Governmental Authority in any relevant jurisdiction); and

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(e) promptly following any request therefor, (i) such other information regarding the operations, business affairs and financial condition of the Borrower or any Subsidiary as the Administrative Agent or any Lender may reasonably request acting in good faith (other than any such information that (X) constitutes non-financial trade secrets or non-financial proprietary information, (Y) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by any laws, rules, regulations or orders or any Governmental Authority or any agreement binding on the Borrower or its Subsidiaries or (Z) that is subject to attorney-client or similar privilege or constitutes attorney work product) and (ii) 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 the Patriot Act and the Beneficial Ownership Regulation.

Documents required to be delivered pursuant to clauses (a), (b) and (d) of this Section 5.01 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which such documents are filed for public availability on the SEC's Electronic Data Gathering and Retrieval System; provided that the Borrower shall, upon request, provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies, or links to access such documents) of such documents.

**SECTION 5.02 Notices of Material Events.** The Borrower will furnish to the Administrative Agent and each Lender prompt written notice of the following:

- (a) the occurrence of any Default;
- (b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against the Borrower or any Subsidiary thereof that could reasonably be expected to result in a Material Adverse Effect;
- (c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect; and
- (d) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer or other executive officer of the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

**SECTION 5.03 Existence; Conduct of Business.** The Borrower will, and will cause each of its Subsidiaries to, do or cause to be done all things necessary to (i) preserve, renew and keep in full force and effect its legal existence and the rights, qualifications, licenses, permits, privileges, franchises, governmental authorizations and intellectual property rights material to the conduct of its business and (ii) maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted, except (other than in the case of legal existence with respect to the Borrower), in the case of each of clauses (i) and (ii), where the failure to do so could not reasonably be expected to result in a Material Adverse Effect; provided that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.04.

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**SECTION 5.04 Payment of Obligations.** The Borrower will, and will cause each of its Subsidiaries to, pay its obligations, including Tax liabilities, that, if not paid, could reasonably be expected to result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the Borrower or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

**SECTION 5.05 Maintenance of Properties; Insurance.** The Borrower will, and will cause each of its Subsidiaries to, (a) keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, except where the failure to do so could not reasonably be expected to result in a Material Adverse Effect, and (b) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

**SECTION 5.06 Books and Records; Inspection Rights.** The Borrower will, and will cause each of its Subsidiaries to, keep proper books of record and account in which full, true and correct entries are made in all material respects and sufficient to prepare financial statements in accordance with GAAP. The Borrower will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested (but not more than once per calendar year unless an Event of Default exists). The Borrower acknowledges that the Administrative Agent, after exercising its rights of inspection, may prepare and distribute to the Lenders certain reports pertaining to the Borrower and its Subsidiaries' assets for internal use by the Administrative Agent and the Lenders. Notwithstanding the foregoing, neither the Borrower nor its Subsidiaries shall be required to disclose or discuss, or permit the inspection, examination or making of extracts of any document, book, record or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information (which, for the avoidance of doubt, shall include all development studios of the Borrower and its Subsidiaries), (ii) in respect of which disclosure to the Administrative Agent, such Lender or their representatives is then prohibited by applicable law or any agreement binding on Borrower or its Subsidiaries or (iii) is protected from disclosure by the attorney-client privilege or the attorney work product privilege.

**SECTION 5.07 Compliance with Laws.** The Borrower will, and will cause each of its Subsidiaries to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property (including without limitation Environmental Laws), except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrower will maintain in effect and implement policies and procedures for compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

**SECTION 5.08 Use of Proceeds.** The proceeds of the Loans will be used for general corporate purposes of the Borrower and its Subsidiaries, including, without limitation, working capital, acquisitions, capital expenditures, any dividend or other distribution, repurchases of stock and repayments of Indebtedness, in each case to the extent permitted or not prohibited under this Agreement. No part of the proceeds of any Loan will be used, whether directly or indirectly by the Borrower and its Subsidiaries,

for any purpose that entails a violation of any of the Regulations of the Federal Reserve Board, including Regulations T, U and X. The Borrower will not request any Borrowing or Letter of Credit, and the Borrower shall not use, and shall procure that its Subsidiaries and, to the knowledge of the Borrower or any Subsidiary, their respective directors, officers and employees, shall not use directly or, to the knowledge of the Borrower or any Subsidiary, indirectly the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in material violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, businesses or transaction would be prohibited by Sanctions if conducted by a

corporation incorporated in the United States or (iii) in any other manner that would result in the violation of any Sanctions by any Person (including any Person participating in the Loans, whether as Administrative Agent, Lender, Issuing Bank, Arranger, Syndication Agent, underwriter, advisor, investor or otherwise).

**SECTION 5.09 Post-Closing Obligations.** In the event that, on the date that is 90 days following the Effective Date, an aggregate principal amount of Existing Zynga Notes greater than or equal to \$250,000,000 remain outstanding, then on or prior to such 90th day, Zynga shall (a) duly execute and deliver to the Administrative Agent a guaranty, in form and substance reasonably satisfactory to the Administrative Agent, guaranteeing the Borrower's obligations under the Loan Documents, together with such documents and certificates relating to the organization, existence and good standing of Zynga, the authorization of entering into such guaranty and other legal matters relating thereto, in form and substance reasonably satisfactory to the Administrative Agent and (b) upon the request of the Administrative Agent in its sole discretion, a signed copy of a favorable opinion, addressed to the Administrative Agent, of counsel for the Loan Parties acceptable to the Administrative Agent, as to the matters contained in clause (a) above, and as to such other matters as the Administrative Agent may reasonably request.

## Article VI

### Negative Covenants

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full and all Letters of Credit have expired or terminated (in each case without any pending draw), or otherwise become subject to cash collateralization or other arrangements reasonably satisfactory to the Administrative Agent, and all LC Disbursements shall have been reimbursed, the Borrower covenants and agrees with the Lenders that:

**SECTION 6.01 Subsidiary Indebtedness.** The Borrower will not permit any Subsidiary to create, incur, assume or permit to exist any Indebtedness, except:

- (a) the Obligations;
- (b) Indebtedness existing on the date hereof and set forth in Schedule 6.01 to the Disclosure Letter and extensions, renewals, refinancings and replacements of any such Indebtedness with Indebtedness of a similar type that does not increase the outstanding principal amount thereof except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such extensions, renewals, refinancings or replacements;
- (c) Indebtedness of any Subsidiary to the Borrower or any other Subsidiary;

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- (d) Guarantees by any Subsidiary of Indebtedness of the Borrower or any other Subsidiary;

- (e) Indebtedness of any Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including Financing Lease Obligations and any Indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets (and any additions, accessions, parts, improvements and attachments thereto and the proceeds thereof) prior to the acquisition thereof, and extensions, renewals and replacements of any such Indebtedness that do not increase the outstanding principal amount thereof; provided that (i) such Indebtedness is incurred prior to or within two hundred seventy (270) days after such acquisition or the completion of such construction or improvement and (ii) the aggregate principal amount of Indebtedness permitted by this clause (e) at any time outstanding shall not exceed the greater of (x) \$125,000,000 and (y) 1.25% of Consolidated Total Assets at the time incurred;

- (f) Indebtedness of any Subsidiary as an account party in respect of trade or standby letters of credit, bank guarantees and bankers' acceptances and any guarantees of such Indebtedness of another Subsidiary;

- (g) Indebtedness with respect to surety, appeal, indemnity, performance or other similar bonds in the ordinary course of business or with respect to agreements providing for indemnification, adjustment of purchase price, earn-out payments, earnest money or similar obligations in connection with any acquisitions, dispositions permitted by Section 6.04 or other uses provided for in clause (d) of the definition of Permitted Encumbrances;

- (h) Indebtedness arising from the honoring of a check, draft or similar instrument against insufficient funds or from the endorsement of instruments for collection in the ordinary course of business;

- (i) customer deposits and advance payments received in the ordinary course of business from customers for goods or services purchased in the ordinary course of business;

(j) Indebtedness consisting of (i) the financing of insurance premiums or (ii) take-or-pay obligations contained in supply agreements, in each case incurred in the ordinary course of business;

(k) Indebtedness of any Person that becomes a Subsidiary after the date hereof pursuant to an acquisition permitted hereunder; provided that such Indebtedness exists at the time such Person becomes a Subsidiary and is not created in contemplation of or in connection with such Person becoming a Subsidiary; and

(l) Indebtedness in an aggregate principal amount, when aggregated with the aggregate principal amount of Indebtedness secured by Liens permitted by Section 6.02(n), not exceeding 10% of Consolidated Total Assets at any time outstanding.

**SECTION 6.02 Liens.** The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it, securing Indebtedness described in clause (a) of the definition thereof, except:

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(a) Permitted Encumbrances;

(b) Liens securing Indebtedness of Subsidiaries owing to the Borrower or any of its Subsidiaries;

(c) any Lien on any property or asset (and any additions, accessions, parts, improvements and attachments thereto and the proceeds thereof) of the Borrower or any Subsidiary existing on the date hereof and set forth in Schedule 6.02 to the Disclosure Letter; provided that (i) such Lien shall not apply to any other property or asset (other than any additions, accessions, parts, improvements and attachments thereto and the proceeds thereof) of the Borrower or any Subsidiary and (ii) such Lien shall secure only those obligations which it secures on the date hereof and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof (plus any accrued and unpaid interest and premium payable by the terms of such obligations thereon and other reasonable amounts paid, and fees and expenses reasonably incurred, in connection with such extensions, renewals, refinancings or replacements);

(d) any Lien existing on any property or asset (and any additions, accessions, parts, improvements and attachments thereto and the proceeds thereof) prior to the acquisition thereof by the Borrower or any Subsidiary or existing on any property or asset (and any additions, accessions, parts, improvements and attachments thereto and the proceeds thereof) of any Person that becomes a Subsidiary after the date hereof prior to the time such Person becomes a Subsidiary; provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets (other than any additions, accessions, parts, improvements and attachments thereto and the proceeds and the products thereof and customary security deposits, related contract rights and payment intangibles and other assets related thereto) of the Borrower or any Subsidiary and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Subsidiary, as the case may be, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof (plus any accrued and unpaid interest and premium payable by the terms of such obligations thereon and other reasonable amounts paid, and fees and expenses reasonably incurred, in connection with such extensions, renewals, refinancings or replacements);

(e) Liens on fixed or capital assets (and any additions, accessions, parts, improvements and attachments thereto and the proceeds thereof) acquired, constructed or improved by the Borrower or any Subsidiary; provided that (i) in the case of any Subsidiary, such security interests secure Indebtedness permitted by clause (e) of Section 6.01, (ii) such security interests and the Indebtedness secured thereby are incurred prior to or within two hundred seventy (270) days after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed the cost of acquiring, constructing or improving such fixed or capital assets and (iv) such security interests shall not apply to any other property or assets (other than any additions, accessions, parts, improvements and attachments thereto and the proceeds thereof) of the Borrower or any Subsidiary;

(f) Liens in favor of the United States of America or any state, territory or possession thereof (or the District of Columbia), or any department, agency, instrumentality or political subdivision of the United States of America or any state, territory or possession thereof

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(or the District of Columbia), to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any Indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of constructing or improving the property subject to such Liens;

(g) Liens arising as a matter of law or created in the ordinary course of business in the nature of (i) normal and customary rights of setoff and banker's liens upon deposits of cash in favor of banks or other depository institutions and (ii) Liens securing reasonable and customary fees for services in favor of banks, securities intermediaries or other depository institutions;

(h) Liens on any cash earnest money deposit made by the Borrower or any Subsidiary in connection with any letter of intent or acquisition agreement that is not prohibited by this Agreement;

(i) customary Liens granted in favor of a trustee to secure fees and other amounts owing to such trustee under an indenture or other agreement pursuant to Indebtedness not otherwise prohibited under this Agreement;

(j) assignments of the right to receive income effected as part of the sale of a Subsidiary or a business unit that is engaged in business of the type conducted by the Borrower and its Subsidiaries on the date of execution of this Agreement and businesses reasonably related thereto;

(k) Liens on insurance proceeds securing the premium of financed insurance proceeds;

(l) Liens on cash collateral securing reimbursement obligations with respect to letters of credit, bank guarantees and bankers' acceptances, and Liens on cash collateral or margin posted for obligations arising under Swap Agreements, in each case, that are not otherwise prohibited under this Agreement and are in respect of transactions entered into in the ordinary course of business;

(m) Liens incurred to secure cash or investment management or custodial services in the ordinary course of business; and

(n) Liens on assets of the Borrower and its Subsidiaries not otherwise permitted above; provided that the aggregate principal amount of the Indebtedness and other obligations subject to such Liens, when aggregated with the aggregate principal amount of Indebtedness permitted by Section 6.01(l), does not at any time exceed 10% of Consolidated Total Assets.

**SECTION 6.03 Sale and Leaseback Transactions.** The Borrower shall not, nor shall it permit any Subsidiary to, enter into any Sale and Leaseback Transaction with respect to a Principal Property, other than (i) transactions permitted by Sections 6.01(e) and 6.02(e) and (ii) other Sale and Leaseback Transactions in respect of which the aggregate Attributable Debt permitted by this Section 6.03 does not at any time exceed \$100,000,000.

**SECTION 6.04 Fundamental Changes and Asset Sales.** The Borrower 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

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substantially all of the assets of the Borrower and its Subsidiaries taken as a whole (including pursuant to a Sale and Leaseback Transaction) (in each case, whether now owned or hereafter acquired), or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing:

(i) any Person (including a Subsidiary) may merge into or consolidate with the Borrower in a transaction in which the Borrower is the surviving corporation (including a merger the purpose of which is to reorganize the Borrower into a new jurisdiction; provided that the Borrower shall be an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia); and

(ii) the Borrower may merge into or consolidate with any other Person; provided that (i) the Borrower shall be the continuing or surviving corporation or (ii) if the Person formed by or surviving any such merger or consolidation (any such Person, the "Successor Company") is not the Borrower, (A) the Successor Company shall be an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia, (B) the Successor Company shall expressly assume all the obligations of the Borrower under this Agreement and the other Loan Documents to which the Borrower

is a party pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent and (C) the Borrower shall have delivered to the Administrative Agent (i) an officer's certificate stating that such merger or consolidation and such supplement to this Agreement comply with this Agreement and (ii) information and documentation of the type referred to in Section 5.01(e)(ii); provided, further, that if the foregoing are satisfied, the Successor Company will succeed to, and be substituted for, the Borrower under this Agreement.

**SECTION 6.05 Financial Covenant. The Borrower will not permit the Leverage Ratio, determined as of the end of each of its fiscal quarters ending on and after September 30, 2022, to exceed the ratio set forth opposite the applicable date set forth below during which such fiscal quarter ended:**

Quarter(s) Ended	Maximum Leverage Ratio
<u>Prior to June 30, 2024</u>	<u>3.75 to 1.00</u>
<u>June 30, 2024</u>	<u>4.75 to 1.00</u>
<u>September 30, 2024</u>	<u>5.75 to 1.00</u>
<u>December 31, 2024</u>	<u>5.50 to 1.00</u>
<u>March 31, 2025 and June 30, 2025</u>	<u>4.25 to 1.00</u>
<u>September 30, 2025</u>	<u>4.00 to 1.00</u>
<u>December 31, 2025 and thereafter</u>	<u>3.75 to 1.00</u>

**The Borrower will not permit the Leverage Ratio, determined as of the end of each of its fiscal quarters ending on and after September 30, 2022, to exceed 3.75 to 1.00; provided that provided that with respect to any fiscal quarter ending on or after December 31, 2025, during the first four quarter end dates following the consummation of a Qualified Acquisition, such ratio shall increase to 4.25 to 1.00 (an "Adjusted Leverage Ratio Period"); provided, further, that following any Adjusted Leverage Ratio Period, such ratio shall be 3.75 to 1.00 for at least two fiscal quarters before such ratio may be increased as a result of a subsequent Qualified Acquisition.**

Article VII  
Events of Default

If any of the following events ("Events of Default") shall occur:

- (a) the Borrower shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;
- (b) the Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under this Agreement, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five (5) Business Days;
- (c) any representation or warranty made or deemed made by or on behalf of the Borrower or any Subsidiary in or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof or waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement or any other Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed made and, such incorrect representation or warranty shall remain incorrect for a period of five (5) Business Days after written notice thereof from the Administrative Agent to the Borrower;
- (d) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02(a), 5.03 (with respect to the Borrower's legal existence) or in Article VI;
- (e) the Borrower 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 Article) or any other Loan Document, and such failure shall continue unremedied for a period of thirty (30) days after notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender);

(f) the Borrower or any Subsidiary shall fail to make any principal or interest payment in respect of any Material Indebtedness, when and as the same shall become due and payable and after giving effect to any applicable grace periods;

(g) any event or condition occurs that results in any Material Indebtedness becoming due, or that requires the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (g) shall not apply to (x) secured Indebtedness that becomes due as a

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result of the sale or transfer of the property or assets securing such Indebtedness, (y) any redemption, repurchase, conversion or settlement with respect to any Convertible Debt Security pursuant to its terms (including, for the avoidance of doubt, the Existing Zynga Notes Fundamental Change Conversion) unless such redemption, repurchase, conversion or settlement results from a default thereunder or an event of the type that constitutes an Event of Default or (z) any early payment requirement or unwind or termination with respect to any Permitted Bond Hedge or other Swap Agreement;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower, any Material Domestic Subsidiary or any Material Foreign Subsidiary or its debts, or of a substantial part of its assets, 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 the Borrower, any Material Domestic Subsidiary or any Material Foreign Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) the Borrower, any Material Domestic Subsidiary or any Material Foreign Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, 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 (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower, any Material Domestic Subsidiary or any Material Foreign Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing (except to the extent that any of the foregoing is undertaken pursuant to an internal reorganization whereby all or substantially all of the assets of any Material Domestic Subsidiary or a Material Foreign Subsidiary are transferred to the Borrower or other Subsidiaries of the Borrower in connection therewith);

(j) the Borrower or any Material Domestic Subsidiary shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more judgments for the payment of money in an aggregate amount in excess of \$200,000,000 (to the extent not covered by a creditworthy insurer that has not denied coverage) shall be rendered against the Borrower, any Subsidiary or any combination thereof and the same shall not have been vacated, discharged, stayed or bonded pending appeal for a period of sixty (60) consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor holding a judgment in excess of \$200,000,000 to attach or levy upon any assets of the Borrower or any Subsidiary to enforce any such judgment;

(l) an ERISA Event shall have occurred that, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;

(m) a Change in Control shall occur; or

(n) any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms (or the Borrower shall challenge the enforceability

of any Loan Document or shall assert in writing, or engage in any action or inaction based on any such assertion, that any provision of any of the Loan Documents has ceased to be or otherwise is not valid, binding and enforceable in accordance with its terms);

then, and in every such event (other than an event with respect to the Borrower described in clause (h) or (i) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent may with the consent of the Required Lenders, and shall at the request of the Required Lenders, by notice to the Borrower, take any or all of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other Obligations of the Borrower accrued hereunder and under the other 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 the Borrower and (iii) demand the deposit of cash collateral pursuant to Section 2.06(j); and in case of any event with respect to the Borrower described in clause (h) or (i) of this Article, (i) the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other Obligations accrued hereunder and under the other Loan Documents, shall automatically become due and payable and (ii) the Borrower's obligation to deposit cash collateral pursuant to Section 2.06(j) shall become effective immediately, and such deposit shall become immediately due and payable, in each case of the foregoing clauses (i) or (ii), without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, and at the request of the Required Lenders shall, exercise any rights and remedies provided to the Administrative Agent under the Loan Documents or at law or equity.

## Article VIII

### The Administrative Agent

Each of the Lenders and the Issuing Banks hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf, including execution of the other Loan Documents, and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto.

The bank 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 such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent hereunder.

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, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) the Administrative Agent 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 in writing as

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directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02), and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct as determined by a final nonappealable judgment of a court of competent jurisdiction. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and 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 any Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or in connection with any Loan Document, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the 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 believed by it to be genuine and to have been signed or sent 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 be made by the proper Person, and shall not incur any liability for relying

thereon. 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.

The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Banks and the Borrower. Upon any such resignation, the Required Lenders shall have the right, with the consent of the Borrower (unless an Event of Default under Section 7(a), (b), (h) or (i) has occurred and is continuing), to appoint a successor. If no 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 and the Issuing Banks, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such

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Person remove such Person as Administrative Agent and, with the consent of the Borrower (unless an Event of Default under Section 7(a), (b), (h) or (i) has occurred and is continuing), appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Administrative Agent, and the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder. 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 Administrative Agent's resignation or removal hereunder, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring or removed 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 it was acting as Administrative Agent.

Each Lender acknowledges and agrees that the extensions of credit made hereunder are commercial loans and letters of credit and not investments in a business enterprise or securities. Each Lender further acknowledges that it is engaged in making, acquiring or holding commercial loans in the ordinary course of its business and has, independently and without reliance upon the Administrative Agent, any Arranger or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder. Each Lender shall, independently and without reliance upon the Administrative Agent, any Arranger or any other Lender and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Borrower and its Affiliates) 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 related agreement or any document furnished hereunder or thereunder and in deciding whether or to the extent to which it will continue as a Lender or assign or otherwise transfer its rights, interests and obligations hereunder.

None of the Lenders, if any, identified in this Agreement as an Arranger or a Syndication Agent shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of such Lenders shall have or be deemed to have a fiduciary relationship with any Lender. Each Lender hereby makes the same acknowledgments with respect to the relevant Lenders in their respective capacities as Arranger and/or Syndication Agent, as applicable, as it makes with respect to the Administrative Agent in the preceding paragraph.

Each Lender hereby agrees that (x) if the Administrative Agent notifies such Lender that the Administrative Agent has determined in its sole discretion that any funds received by such Lender from the Administrative Agent or any of its Affiliates (whether as a payment, prepayment or repayment of principal, interest, fees or otherwise; individually and collectively, a "Payment") were erroneously transmitted to such Lender (whether or not known to such Lender), and demands the return of such Payment (or a portion thereof), such Lender shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date

such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (y) to the extent permitted by applicable law, such Lender shall not assert, and hereby waives, as to the Administrative Agent, 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 Payments received, including without limitation any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Lender under this paragraph shall be conclusive, absent manifest error.

Each Lender hereby further agrees that if it receives a 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 sent by the Administrative Agent (or any of its Affiliates) with respect to such Payment (a "Payment Notice") or (y) that was not preceded or accompanied by a Payment Notice, it shall be on notice, in each such case, that an error has been made with respect to such Payment. Each Lender agrees that, in each such case, or if it otherwise becomes aware a Payment (or portion thereof) may have been sent in error, such Lender shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Payment (or portion thereof) as to which such a demand was made in same day funds, together with interest thereon in respect of each day from and including the date such Payment (or portion thereof) was received by such Lender to the date such amount is repaid to the Administrative Agent at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

The Borrower hereby agrees that (x) in the event an erroneous Payment (or portion thereof) are not recovered from any Lender that has received such Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Lender with respect to such amount and (y) an erroneous Payment (other than any such erroneous Payment that 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 Person acting on behalf of the Borrower for the purpose of making such erroneous Payment) shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower.

Each party's obligations under the preceding three paragraphs shall survive the resignation or replacement of the Administrative Agent or any transfer of rights or obligations by, or the replacement of, a Lender, the termination of the Commitments or the repayment, satisfaction or discharge of all Obligations under any Loan Document.

The Lenders are not partners or co-venturers, and no Lender shall be liable for the acts or omissions of, or (except as otherwise set forth herein in case of the Administrative Agent) authorized to act for, any other Lender. The Administrative Agent shall have the exclusive right on behalf of the Lenders to enforce the payment of the principal of and interest on any Loan after the date such principal or interest has become due and payable pursuant to the terms of this Agreement.

To the extent required by any applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If the IRS or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender for any reason (including, without

limitation, because the appropriate form was not delivered or not properly executed, or because such Lender failed to notify the Administrative Agent of a change in circumstance that rendered the exemption from, or reduction of withholding Tax ineffective), such Lender shall, within 10 days after written demand therefor, indemnify and hold harmless the Administrative Agent (to the extent that the Administrative Agent has not already been reimbursed by the Loan Parties pursuant to Section 2.17 and without limiting or expanding the obligation of the Loan Parties to do so) from and against all amounts paid, directly or indirectly, by the Administrative Agent as Taxes or otherwise, together with all expenses incurred, including legal expenses and any other 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 or from any other sources, against any amount due the Administrative Agent under this paragraph. The agreements in this paragraph shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

**Article IX**  
**Miscellaneous**

**SECTION 9.01 Notices.** (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) 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 telecopy, as follows:

- (i) if to the Borrower, to it at Take-Two Interactive Software, Inc., 110 West 44th Street, New York, New York, 10036, Attention: General Counsel; Telephone: 646-536-2869;
- (ii) if to the Administrative Agent or to JPMorgan Chase Bank, N.A. in its capacity as an Issuing Bank, to JPMorgan Chase Bank, N.A., JPMorgan Loan Services, 500 Stanton Christiana Road, Ops 2, 3rd Floor Newark, DE 19713, Attention of Loan and Agency Services Group (Fax No. 1 (302) 634-3301); and
- (iii) if to any other Lender or Issuing Bank, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

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 facsimile 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). Notices delivered through Approved Electronic Platforms, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Notices and other communications to the Borrower, the Lenders and the Issuing Banks hereunder may be delivered or furnished by using Approved Electronic Platforms pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article 2 unless otherwise agreed by the Administrative Agent and the applicable Lender.

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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 or as otherwise expressly set forth in this Agreement, (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), 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; provided that, for both clauses (i) and (ii) above, if such notice, email 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.

- (c) Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto.
- (d) Posting of Communications.
  - (i) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders and the Issuing Banks by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the "Approved Electronic Platform").
  - (ii) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on

a deal-by-deal basis, each of the Lenders, each of the Issuing Banks and the Borrower acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender that are added to the Approved Electronic Platform, and that there may be confidentiality and other risks associated with such distribution. Each of the Lenders, each of the Issuing Banks and the Borrower hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(iii) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED "AS IS" AND "AS AVAILABLE". THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR

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A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, ANY ARRANGER OR ANY OF THEIR RESPECTIVE RELATED PARTIES (COLLECTIVELY, "APPLICABLE PARTIES") HAVE ANY LIABILITY TO THE BORROWER, ANY LENDER, ANY ISSUING BANK OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF THE BORROWER'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM.

"Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrower pursuant to any Loan Document or the transactions contemplated therein which is distributed by the Administrative Agent or any Lender or any Issuing Bank by means of electronic communications pursuant to this Section, including through an Approved Electronic Platform.

(iv) Each Lender and each Issuing Bank agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender and Issuing Bank agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's or Issuing Bank's (as applicable) email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(v) Each of the Lenders, each of the Issuing Banks and the Borrower agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(vi) Nothing herein shall prejudice the right of the Administrative Agent, any Lender or any Issuing Bank to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

**SECTION 9.02 Waivers; Amendments.** (a) No failure or delay by the Administrative Agent, any Issuing Bank or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or

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issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Subject to Sections 2.14(b), 2.20 and 2.23, neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders; provided that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender directly affected thereby (except that any amendment or modification of definition of "Leverage Ratio" in this Agreement (or defined terms used in such definition of "Leverage Ratio") shall not constitute a reduction in the rate of interest or fees for purposes of this clause (ii)), (iii) postpone the scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender directly affected thereby, (iv) change Section 2.18(b) or (c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender or (v) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or any Issuing Bank hereunder without the prior written consent of the Administrative Agent or such Issuing Bank (it being understood that any change to Section 2.22 shall require the consent of the Administrative Agent and the Issuing Banks). Notwithstanding the foregoing, no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Lender, except with respect to any amendment, waiver or other modification referred to in clause (i), (ii) or (iii) of the first proviso of this paragraph and then only in the event such Defaulting Lender shall be directly affected by such amendment, waiver or other modification.

(c) Notwithstanding the foregoing, this Agreement and any other Loan Document may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrower (x) to add one or more credit facilities to this Agreement and to permit extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Loans and the accrued interest and fees in respect thereof and (y) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and Lenders.

(d) If, in connection with any proposed amendment, waiver or consent requiring the consent of "each Lender" or "each Lender directly affected thereby," the consent of the Required Lenders is obtained, but the consent of other necessary Lenders is not obtained (any such Lender whose consent is necessary but not obtained being referred to herein as a "Non-Consenting Lender"), then the Borrower may elect to replace a Non-Consenting Lender as a Lender party to this Agreement, provided that, concurrently with such replacement, (i) another bank or other entity which is reasonably satisfactory to the Borrower and the Administrative Agent shall agree, as of such date, to purchase for cash the Loans and other Obligations due to the Non-Consenting Lender pursuant to an Assignment and Assumption (subject to the final sentence of this Section 9.02(d)) and to become a Lender for all purposes under this

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Agreement and to assume all obligations of the Non-Consenting Lender to be terminated as of such date and to comply with the requirements of clause (b) of Section 9.04, and (ii) the Borrower shall pay to such Non-Consenting Lender in same day funds on the day of such replacement (1) all interest, fees and other amounts then accrued but unpaid to such Non-Consenting Lender by the Borrower hereunder to and including the date of termination, including without limitation payments due to such Non-Consenting Lender under Sections 2.15 and 2.17, and (2) an amount, if any, equal to the payment which would have been due to such Lender on the day of such replacement under Section 2.16 had the Loans of such Non-Consenting Lender been prepaid on such date rather than sold to the replacement Lender. Notwithstanding anything in this Section 9.04(d) to the contrary, such replacement of a Non-Consenting Lender shall be deemed effective with respect to such Non-Consenting Lender whether or not such Non-Consenting Lender enters into an Assignment and Assumption.

(e) Notwithstanding anything to the contrary herein, the Administrative Agent may, with the consent of the Borrower only, amend, modify or supplement this Agreement or any of the other Loan Documents to cure any ambiguity, omission, mistake, defect or inconsistency.

#### **SECTION 9.03 Expenses; Limitation of Liability; Indemnity; Etc.**

**(a) Expenses.** The Borrower shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of one primary counsel for the Administrative Agent and one local counsel in each applicable jurisdiction, in connection with the syndication and distribution (including, without limitation, via the internet or through a service such as Inralinks) of the credit facilities provided for herein, the preparation and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Banks in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, any Issuing Bank or any Lender, including the fees, charges and disbursements of one primary counsel for the Administrative Agent, Issuing Banks and Lenders, taken as a whole, and one additional local counsel in each applicable jurisdiction for the Administrative Agent, Issuing Banks and Lenders, taken as a whole, in connection with the enforcement or protection of their rights in connection with this Agreement and any other Loan Document, including their rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such reasonable and documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

**(b) Limitation of Liability.** To the extent permitted by applicable law, (i) the Borrower shall not assert, and the Borrower hereby waives, any claim against the Administrative Agent, any Arranger, any Issuing Bank and any Lender, and any Related Party of any of the foregoing Persons (each such Person being called a "Lender-Related Person") for any Liabilities arising from the use by others of information or other materials (including, without limitation, any personal data) obtained through telecommunications, electronic or other information transmission systems (including the Internet), and (ii) no party hereto shall assert, and each such party hereby waives, any Liabilities 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, this Agreement, any other Loan Document, or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan, any Letter of Credit or the use of the proceeds thereof; provided that, nothing

in this Section 9.03(b) shall relieve the Borrower of any obligation it may have to indemnify an Indemnitee, as provided in Section 9.03(c), against any special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party.

**(c) Indemnity.** The Borrower shall indemnify the Administrative Agent, each Issuing Bank, each Arranger and 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 Liabilities and related expenses (which, in the case of fees, charges and disbursements of counsel, shall be limited to the reasonable and documented fees, charges and disbursements of (i) one primary counsel, and one additional local counsel in each applicable jurisdiction, for the Administrative Agent, the Lenders, their Affiliates and related Indemnitees (taken as a whole) and (ii) solely in the case of an actual or perceived conflict of interest where the Indemnitee affected by such conflict notifies the Borrower of the existence of such conflict and thereafter retains its own counsel, one other firm of counsel in each applicable jurisdiction (which may include a single firm of local counsel for all such affected Indemnitees acting in multiple jurisdictions)) incurred by or asserted against any Indemnitee resulting from any claim, litigation, investigation or proceeding 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, (ii) the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (iii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by any Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit) or (iv) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability of the Borrower or any of its Subsidiaries, or (v) any actual or prospective Proceeding relating to any of the foregoing, whether or not such Proceeding is brought by the Borrower or its equity holders, Affiliates, creditors or any other third Person and whether based on contract, tort or any other theory, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such Liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted primarily from (x) the gross negligence, bad faith, or willful misconduct of such Indemnitee, (y) the material breach by such Indemnitee of its express obligations under this Agreement pursuant to a claim initiated by the Borrower or (z) any dispute solely among Indemnitees (not arising as a result of an act or omission by the Borrower or any of its Subsidiaries or Affiliates) other than claims against any of the Administrative Agent or the Lenders or any of their Affiliates in its capacity or in fulfilling its role as the Administrative Agent, an Issuing Bank, an Arranger, a lead arranger, a bookrunner or any similar role under this Agreement. Each of the Administrative Agent and the Lenders hereby agrees, on behalf of itself and its related Indemnitees, that any settlement entered into by the Administrative Agent or such Lender, respectively, and its related Indemnitee in connection with a claim or proceeding for which an indemnity claim is made against the Borrower pursuant to the preceding sentence shall be so entered into in good faith and not on an arbitrary or capricious basis. This Section 9.03(c) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc., arising from any non-Tax claim.

(d) **Lender Reimbursement.** Each Lender severally agrees to pay any amount required to be paid by the Borrower under paragraphs (a), (b) or (c) of this Section 9.03 to the Administrative Agent and each Issuing Bank and any of their respective Related Parties (each, an "Agent-Related Person") (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective percentage of the aggregate Loans and unfunded

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Commitments of all Lenders represented by such Lender's Loans and unfunded Commitments (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought or, if such payment is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such percentage immediately prior to such date), and agrees to indemnify and hold each Agent-Related Person harmless from and against any and all Liabilities and related expenses, including the fees, charges and disbursements of any kind whatsoever that may at any time (whether before or after the payment of the Loans) be imposed on, incurred by or asserted against such Agent-Related Person in any way relating to or arising out of the Commitments and/or Loans, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent-Related Person under or in connection with any of the foregoing; provided that the unreimbursed expense or Liability or related expense, as the case may be, was incurred by or asserted against such Agent-Related Person in its capacity as such; provided further that no Lender shall be liable for the payment of any portion of such Liabilities, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted primarily from such Agent-Related Party's gross negligence or willful misconduct. The agreements in this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(e) **Payments.** All amounts due under this Section shall be payable not later than thirty (30) days after written demand therefor.

**SECTION 9.04 Successors and Assigns.** (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Banks and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Institution) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment, participations in Letters of Credit and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld or delayed) of:

(A) the Borrower; provided, that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee; and

(B) the Administrative Agent.

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(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$10,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee of \$3,500, such fee to be paid by either the assigning Lender or the assignee Lender or shared between such Lenders; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its affiliates and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws.

For the purposes of this Section 9.04(b), the terms "Approved Fund" and "Ineligible Institution" have the following meanings:

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

"Ineligible Institution" means (a) a natural person, (b) a Defaulting Lender or its Lender Parent, (c) the Borrower, any of its Subsidiaries or any of its Affiliates, or (d) a company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof; provided that, with respect to clause (d), such company, investment vehicle or trust shall not constitute an Ineligible Institution if it (x) has not been established for the primary purpose of acquiring any Loans or Commitments, (y) is managed by a professional advisor, who is not such natural person or a relative thereof, having significant experience in the business of making or purchasing commercial loans.

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and (z) has assets greater than \$10,000,000 and a significant part of its activities consist of making or purchasing commercial loans and similar extensions of credit in the ordinary course of its business.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and related interest) of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, the Issuing Banks 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, any Issuing Bank and any Lender (with respect to its own Commitments and Loans), at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.06(d) or (e), 2.07(b), 2.18(d) or 9.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) Any Lender may, without the consent of the Borrower, the Administrative Agent or the Issuing Banks, sell participations to one or more banks or other entities (a "Participant"), other than an Ineligible Institution, in all or a portion of such Lender's rights and obligations under this Agreement

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(including all or a portion of its Commitment and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged; (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (C) the Borrower, the Administrative Agent, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 (subject to the requirements and limitations therein, including the requirements under Section 2.17(f) (it being understood that the documentation required under Section 2.17(f) shall be delivered solely to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) shall be subject to the provisions of Sections 2.18 and 2.19 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 2.15 or 2.17, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 2.22(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender, provided such Participant shall be subject to Section 2.18(c) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and related 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 (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) to any Person 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. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

**SECTION 9.05 Survival.** All covenants, agreements, representations and warranties made by the Borrower in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have

been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal or any accrued interest on any Loan or any fee or any other amount payable under this Agreement or any other Loan Document is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Sections 2.15, 2.16, 2.17 and 9.03 and Article VIII shall survive and remain in full force and effect regardless of the resignation or replacement of the Agent or any assignment of rights by, or the replacement of, a Lender, the consummation of the transactions contemplated hereby, the repayment, satisfaction or discharge of all obligations under any Loan Document, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any other Loan Document or any provision hereof or thereof.

#### SECTION 9.06 Counterparts; Integration; Effectiveness; Electronic Execution.

(a) This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(b) Delivery of an executed counterpart of a signature page of (x) this Agreement, (y) any other Loan Document and/or (z) any document, amendment, approval, consent, information, notice (including, for the avoidance of doubt, any notice delivered pursuant to Section 9.01), certificate, request, statement, disclosure or authorization related to this Agreement, any other Loan Document and/or the transactions contemplated hereby and/or thereby (each an "Ancillary Document") that is an Electronic Signature transmitted by telecopy, emailed e-mailed .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, such other Loan Document or such Ancillary Document, as applicable. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement, any other Loan Document and/or any Ancillary Document shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page, 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; provided that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it; provided, further, without limiting the foregoing, (i) to the extent the Administrative Agent has agreed to accept any Electronic Signature, the Administrative Agent and each of the Lenders shall be entitled to rely on such Electronic Signature purportedly given by or on behalf of the Borrower without further verification thereof and without any obligation to review the appearance or form of any such Electronic

signature and (ii) upon the request of the Administrative Agent or any Lender, any Electronic Signature shall be promptly followed by a manually executed counterpart. Without limiting the generality of the foregoing, the Borrower hereby (A) 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 Signatures transmitted by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page and/or any electronic images of this Agreement, any other Loan Document and/or any Ancillary Document shall have the same legal effect, validity and enforceability as any paper original, (B) the Administrative Agent and each of the Lenders may, at its option, create one or more copies of this Agreement, any other Loan Document and/or any Ancillary Document in the form of an imaged electronic record in any format, which shall be deemed created in the ordinary course of such Person's business, and destroy the original paper document (and all such electronic records shall be considered an original for all purposes and shall have the same legal effect, validity and enforceability as a paper record), (C) waives any argument, defense or right to contest the legal effect, validity or enforceability of this Agreement, any other Loan Document and/or any Ancillary Document based solely on the lack of paper original copies of this Agreement, such other Loan Document and/or such

Ancillary Document, respectively, including with respect to any signature pages thereto and (D) waives any claim against any Lender-Related Person for any Liabilities arising solely from the Administrative Agent's and/or any Lender's reliance on or use of Electronic Signatures and/or transmissions by telecopy, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page, including any Liabilities arising as a result of the failure of the Borrower to use any available security measures in connection with the execution, delivery or transmission of any Electronic Signature.

**SECTION 9.07 Severability.** Any provision of any Loan Document 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 thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

**SECTION 9.08 Right of Setoff.** If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final and in whatever currency denominated) at any time held and other obligations at any time then due and outstanding owing by such Lender or Affiliate to or for the credit or the account of the Borrower against any of and all of the Obligations then due and outstanding held by such Lender, irrespective of whether or not such Lender shall have made any demand under the Loan Documents and although such obligations may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender different from the branch office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so setoff shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.22 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any

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such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

**SECTION 9.09 Governing Law; Jurisdiction; Consent to Service of Process.** (a) This Agreement and the other Loan Documents shall be construed in accordance with and governed by the law of the State of New York.

(b) Each of the Lenders and the Administrative Agent hereby irrevocably and unconditionally agrees that, notwithstanding the governing law provisions of any applicable Loan Document, any claims brought against the Administrative Agent by any Lender relating to this Agreement, any other Loan Document or the consummation or administration of the transactions contemplated hereby or thereby shall be construed in accordance with and governed by the law of the State of New York.

(c) Each party to this Agreement hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to any Loan Document or the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be (and any such claims, cross-claims or third party claims brought against the Administrative Agent or any of its Related Parties may only) heard and determined in such Federal or New York State court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Documents shall affect any right that the Administrative Agent, any Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against the Borrower or its properties in the courts of any jurisdiction.

(d) Each party to this Agreement hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(e) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

**SECTION 9.10 WAIVER OF JURY TRIAL.** EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY 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 PARTY HAS REPRESENTED,

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EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

**SECTION 9.11 Headings.** Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

**SECTION 9.12 Confidentiality.** Each of the Administrative Agent, the Issuing Banks and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners) (in which case each of the Administrative Agent, the Issuing Banks and the Lenders agree to the extent not prohibited by applicable law, rule, regulation or order, to inform you promptly of the disclosure thereof and to the extent practicable, prior thereto), (c) to the extent required by applicable laws, rules or regulations or by any subpoena or order or similar legal process (in which case each of the Administrative Agent, the Issuing Banks and the Lenders agree to the extent not prohibited by applicable law, rule, regulation or order, to inform you promptly of the disclosure thereof and to the extent practicable, prior thereto), (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies under this Agreement or any other Loan Document or any suit action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions 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 the Borrower and its obligations or to any credit insurance provider relating to the Borrower and its obligations, (g) with the consent of the Borrower, (h) to the extent that such information is independently developed by the Administrative Agent, any Issuing Bank or any Lender, without reference to any confidential Information and without violating the terms of this Agreement, (i) for purposes of establishing a defense in any legal proceeding, (j) to market data collectors and service providers providing services in connection with the administration of the Loans (such disclosure under this clause (j) limited solely to this Agreement), (k) on a confidential basis to any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided for herein or (k) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis from a source that is not, to the knowledge of the Administrative Agent, such Issuing Bank or such Lender respectively, subject to confidentiality obligations owing to the Borrower or any of its Subsidiaries and prohibiting such disclosure. Notwithstanding the foregoing, none of the Administrative Agent, any Issuing Bank or any Lender shall be required to provide notice of any permitted disclosures made in connection with any regulatory review of the Administrative Agent, such Issuing Bank or such Lender by any governmental agency or regulatory body with jurisdiction over the Administrative Agent, such Issuing Bank or such Lender, so long as such review is not specifically

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targeted at the Borrower or the gaming industry and notice thereof is not prohibited by applicable law, rule, regulation or order. For the purposes of this Section, "Information" means all information received from the Borrower or any Subsidiary relating to their business, other than any such information that is available to the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis prior to disclosure by the Borrower or such Subsidiary and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry; provided that, in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential. 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.

**EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN THE IMMEDIATELY PRECEDING PARAGRAPH FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.**

**ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.**

**SECTION 9.13 USA PATRIOT Act.** Each Lender that is subject to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "PatriotAct") hereby notifies the Borrower that pursuant to the requirements of the Patriot Act and the requirements of the Beneficial Ownership Regulation, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Patriot Act and the Beneficial Ownership Regulation.

**SECTION 9.14 Interest Rate Limitation.** Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that

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would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

**SECTION 9.15 No Advisory or Fiduciary Responsibility.** In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each party hereto acknowledges and agrees that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates, on the other hand, (B) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) each of the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (B) no Lender or any of its Affiliates has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except, in the case of a Lender, those obligations expressly set forth herein and in the other Loan Documents; and (iii) each of the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and no Lender or any of its Affiliates has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower agrees to forego any claims that it may have against each of the Lenders and their Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

**SECTION 9.16 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 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 entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of

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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 9.17 Certain ERISA Matters.** (a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto 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 any Arranger and their respective Affiliates, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments or this Agreement;

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement;

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(c) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with 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 any Arranger and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that none of the

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Administrative Agent, or any arranger 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 Loans, the Letters of Credit, the 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 hereto or thereto).

**SECTION 9.18 Acknowledgement Regarding Any Supported QFCs.** To the extent that the Loan Documents provide support, through a guarantee or otherwise, for hedging agreements or any other agreement or instrument that is a QFC (such support, "QFC Credit Support", and each such QFC, a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

[Signature Pages ~~Follow~~ Intentionally Omitted]

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Exhibit 31.1

TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES  
CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
Section 302 Certification

I, Strauss Zelnick, certify that:

REFINITIV CORPORATE DISCLOSURES | [www.refinitiv.com](http://www.refinitiv.com) | Contact Us

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REFINITIV 

1. I have reviewed this Quarterly Report on Form 10-Q of Take-Two Interactive Software, Inc. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

August 8, November 6, 2024

/s/ STRAUSS ZELNICK

Strauss Zelnick

*Chairman and Chief Executive Officer*

Exhibit 31.2

**TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER**

**Section 302 Certification**

I, Lainie Goldstein, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Take-Two Interactive Software, Inc. (the "Registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

- a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 8, November 6, 2024

/s/ LAINIE GOLDSTEIN

Lainie Goldstein  
*Chief Financial Officer*

**EXHIBIT 32.1**

**TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES**

**CERTIFICATION PURSUANT TO  
18 U. S. C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Take-Two Interactive Software, Inc. (the "Company") on Form 10-Q for the period ended **June 30, 2024** **September 30, 2024** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Strauss Zelnick, as Chairman and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 8, November 6, 2024

/s/ STRAUSS ZELNICK

Strauss Zelnick  
*Chairman and Chief Executive Officer*

**EXHIBIT 32.2**

TAKE-TWO INTERACTIVE SOFTWARE, INC. and SUBSIDIARIES

CERTIFICATION PURSUANT TO  
18 U. S. C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Take-Two Interactive Software, Inc. (the "Company") on Form 10-Q for the period ended **June 30, 2024** **September 30, 2024** as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lainie Goldstein, as Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

August 8, November 6, 2024

/s/ LAINIE GOLDSTEIN

Lainie Goldstein

*Chief Financial Officer*

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