

**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, 2010,

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 001-32601

**LIVE NATION ENTERTAINMENT, INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State of Incorporation)

20-3247759  
(I.R.S. Employer Identification No.)

9348 Civic Center Drive  
Beverly Hills, CA 90210  
(Address of principal executive offices, including zip code)

(310) 867-7000  
(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes  No

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

Large accelerated filer  Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

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

On July 30, 2010, there were 173,468,592 outstanding shares of the registrant's common stock, \$0.01 par value per share, including 3,213,606 shares of unvested restricted stock awards and excluding 2,000,597 shares held in treasury.

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**LIVE NATION ENTERTAINMENT, INC.**

**GLOSSARY OF KEY TERMS**

AMG	Academy Music Holdings Limited Group
AOI	Adjusted operating income (loss)
ASC	FASB Accounting Standards Codification
ATC	ATC Aviation, Inc.
ASU	FASB Accounting Standards Updates
Azoff Trust	The Azoff Family Trust of 1997, of which Irving Azoff is co-Trustee
Brand New Live	Brand New Live B.V.
Clear Channel	Clear Channel Communications, Inc.
Comcast	Comcast-Spectacor, L.P.
Company	Live Nation Entertainment, Inc.
CTS	CTS Eventim AG
DOJ	United States Department of Justice
FASB	Financial Accounting Standards Board
FLMG	FLMG Holdings Corp., a wholly-owned subsidiary of Live Nation
Front Line	Front Line Management Group, Inc.
GAAP	United States Generally Accepted Accounting Principles
IAC	IAC/InterActiveCorp
IRS	United States Internal Revenue Service
Liberty Media	Liberty Media Corporation
Live Nation	Live Nation Entertainment, Inc., formerly known as Live Nation, Inc.
Merger	Merger between Live Nation, Inc. and Ticketmaster Entertainment, Inc. announced in February 2009 and consummated in January 2010
Merger Agreement	Agreement and Plan of Merger, dated February 10, 2009 and consummated on January 25, 2010, between Live Nation, Inc. and Ticketmaster Entertainment, Inc.
OCI	Other comprehensive income (loss)
Paciolan	Paciolan, Inc.
Parcolimpico	Parcolimpico S.r.l.
SEC	United States Securities and Exchange Commission
Separation	The contribution and transfer by Clear Channel of substantially all of its entertainment assets and liabilities to Live Nation
Spincos	Collective referral to Ticketmaster and other companies spun off from IAC on August 20, 2008
Tecjet	Tecjet Limited
Ticketmaster	For periods prior to May 6, 2010, Ticketmaster means Ticketmaster Entertainment LLC and its predecessor companies (including without limitation Ticketmaster Entertainment, Inc.); for periods on and after May 6, 2010, Ticketmaster means the Ticketmaster ticketing business of the Company
TicketsNow	TNow Entertainment Group, Inc.

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## PART I—FINANCIAL INFORMATION

## Item 1. Financial Statements (unaudited)

## CONSOLIDATED BALANCE SHEETS

	June 30, 2010 <u>(unaudited)</u>	December 31, 2009 <u>(audited)</u>
	<i>(in thousands)</i>	
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 999,928	\$ 236,955
Accounts receivable, less allowance of \$9,429 as of June 30, 2010 and \$8,230 as of December 31, 2009	365,034	176,179
Prepaid expenses	549,508	277,599
Other current assets	62,882	27,133
<b>Total current assets</b>	<b>1,977,352</b>	<b>717,866</b>
Property, plant and equipment		
Land, buildings and improvements	873,019	875,958
Computer equipment and capitalized software	176,638	131,875
Furniture and other equipment	161,538	156,756
Construction in progress	27,991	17,398
	1,239,186	1,181,987
Less accumulated depreciation	474,189	432,003
	764,997	749,984
Intangible assets		
Definite-lived intangible assets—net	967,152	442,641
Indefinite-lived intangible assets	381,983	28,248
Goodwill	1,164,555	204,672
Investments in nonconsolidated affiliates	29,027	2,077
Other long-term assets	224,833	196,271
<b>Total assets</b>	<b>\$5,509,899</b>	<b>\$2,341,759</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable, client accounts	\$ 370,634	\$ -
Accounts payable	133,953	50,844
Accrued expenses	436,885	357,138
Deferred revenue	742,518	284,536
Current portion of long-term debt	46,522	41,032
Other current liabilities	81,809	18,684
<b>Total current liabilities</b>	<b>1,812,321</b>	<b>752,234</b>
Long-term debt, net	1,692,128	699,037
Long-term deferred income taxes	200,806	30,480
Other long-term liabilities	195,632	94,567
Series A and Series B redeemable preferred stock	-	40,000
Commitments and contingent liabilities (Note 8)		
Redeemable noncontrolling interests	120,207	-
Stockholders' equity		
Common stock	1,722	860
Additional paid-in capital	2,037,653	1,090,572
Accumulated deficit	(580,356)	(433,785)
Cost of shares held in treasury	(9,629)	(9,529)
Accumulated other comprehensive income (loss)	(60,878)	4,199
<b>Total Live Nation Entertainment, Inc. stockholders' equity</b>	<b>1,388,512</b>	<b>652,317</b>
Noncontrolling interests	100,293	73,124
<b>Total stockholders' equity</b>	<b>1,488,805</b>	<b>725,441</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$5,509,899</b>	<b>\$2,341,759</b>

See Notes to Consolidated Financial Statements

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**CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
	<i>(in thousands except share and per share data)</i>			
Revenue	\$ 1,266,598	\$ 1,047,216	\$ 1,989,551	\$ 1,532,128
Operating expenses:				
Direct operating expenses	897,004	838,731	1,382,157	1,211,791
Selling, general and administrative expenses	252,372	154,606	483,643	295,508
Depreciation and amortization	62,957	35,503	122,276	77,586
Loss (gain) on sale of operating assets	(637)	(718)	3,934	(982)
Corporate expenses	21,882	12,352	59,006	25,884
Acquisition transaction expenses	6,394	14,877	15,411	18,735
Operating income (loss)	26,626	(8,135)	(76,876)	(96,394)
Interest expense	29,854	15,864	56,359	33,119
Loss on extinguishment of debt	21,172	-	21,172	-
Interest income	(769)	(576)	(1,443)	(1,566)
Equity in earnings of nonconsolidated affiliates	(1,708)	(633)	(2,255)	(816)
Other expense (income)—net	(565)	(1,087)	(1,633)	607
Loss from continuing operations before income taxes	(21,358)	(21,703)	(149,076)	(127,738)
Income tax expense (benefit):				
Current	5,682	9,177	3,840	10,876
Deferred	5,633	(574)	(7,855)	(2,187)
Loss from continuing operations	(32,673)	(30,306)	(145,061)	(136,427)
Income (loss) from discontinued operations, net of tax	(377)	3,498	(680)	6,462
Net loss	(33,050)	(26,808)	(145,741)	(129,965)
Net income (loss) attributable to noncontrolling interests	1,568	390	830	(60)
Net loss attributable to Live Nation Entertainment, Inc.	\$ (34,618)	\$ (27,198)	\$ (146,571)	\$ (129,905)
Basic and diluted net income (loss) per common share attributable to common stockholders:				
Loss from continuing operations attributable to Live Nation Entertainment, Inc.	\$ (0.20)	\$ (0.37)	\$ (0.92)	\$ (1.67)
Income (loss) from discontinued operations attributable to Live Nation Entertainment, Inc.	-	0.04	(0.01)	0.08
Net loss attributable to Live Nation Entertainment, Inc.	\$ (0.20)	\$ (0.33)	\$ (0.93)	\$ (1.59)
Weighted average common shares outstanding:				
Basic and diluted	170,007,727	83,612,409	158,219,805	81,618,066

See Notes to Consolidated Financial Statements

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**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)**

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<i>(in thousands)</i>			
Net loss	<u>\$</u> (33,050)	<u>\$</u> (26,808)	<u>\$</u> (145,741)	<u>\$</u> (129,965)
Other comprehensive income (loss), net of tax:				
Unrealized and realized holding loss on cash flow hedges	4,575	556	6,749	1,360
Change in funded status of defined benefit pension plan	-	-	-	(16)
Foreign currency translation adjustments	<u>(25,416)</u>	<u>16,685</u>	<u>(71,826)</u>	<u>(1,628)</u>
Comprehensive loss	<u>(53,891)</u>	<u>(9,567)</u>	<u>(210,818)</u>	<u>(130,249)</u>
Comprehensive income (loss) attributable to noncontrolling interests	1,568	390	830	(60)
Comprehensive loss attributable to Live Nation Entertainment, Inc.	<u>\$</u> (55,459)	<u>\$</u> (9,957)	<u>\$</u> (211,648)	<u>\$</u> (130,189)

See Notes to Consolidated Financial Statements

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## CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Six Months Ended	
	June 30,	
	2010	2009
	<i>(in thousands)</i>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (145,741)	\$(129,965)
Reconciling items:		
Depreciation	60,696	54,539
Amortization	61,580	25,759
Deferred income tax benefit	(7,855)	(1,292)
Amortization of debt issuance costs	1,826	1,712
Amortization of debt discount/premium, net	3,524	4,298
Provision for uncollectible accounts receivable and advances	15,189	1,224
Non-cash loss on extinguishment of debt	8,272	-
Non-cash compensation expense	32,798	6,525
Unrealized changes in fair value of contingent consideration	4,555	-
Loss (gain) on sale of operating assets	4,614	(986)
Equity in earnings of nonconsolidated affiliates	(2,255)	(1,483)
Changes in operating assets and liabilities, net of effects of acquisitions and dispositions:		
Increase in accounts receivable	(63,659)	(42,416)
Increase in prepaid expenses	(238,446)	(315,746)
Increase in other assets	(47,098)	(45,023)
Increase in accounts payable, accrued expenses and other liabilities	18,312	154,006
Increase in deferred revenue	461,967	627,574
Net cash provided by operating activities	168,279	338,726
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Collections of notes receivable	638	316
Advances to notes receivable	-	(132)
Distributions from nonconsolidated affiliates	964	2,119
Investments made in nonconsolidated affiliates	-	(654)
Purchases of property, plant and equipment	(30,082)	(39,089)
Proceeds from disposal of operating assets, net of cash divested	20,753	16,478
Cash paid for acquisitions, net of cash acquired	566,144	(5,638)
Purchases of intangible assets	(1,363)	(7,763)
Decrease in other—net	297	165
Net cash provided by (used in) investing activities	557,351	(34,198)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term debt, net of debt issuance costs	1,318,637	235,200
Payments on long-term debt	(1,182,507)	(283,808)
Redemption of preferred stock	(40,000)	-
Contributions from noncontrolling interest partners	13	-
Distributions to noncontrolling interest partners	(8,198)	(301)
Proceeds from exercise of stock options	4,254	-
Issuance of treasury stock	-	1,553
Equity issuance costs	(357)	-
Payments for purchases of common stock	(1,567)	(5,803)
Payments for deferred and contingent consideration	(11,109)	(7,392)
Net cash provided by (used in) financing activities	79,166	(60,551)
Effect of exchange rate changes on cash and cash equivalents	(41,823)	26,193
Net increase in cash and cash equivalents	762,973	270,170
Cash and cash equivalents at beginning of period	236,955	199,660
Cash and cash equivalents at end of period	\$ 999,928	\$ 469,830

See Notes to Consolidated Financial Statements

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Nature of Business***

Live Nation was incorporated in Delaware on August 2, 2005 in preparation for the contribution and transfer by Clear Channel of substantially all of its entertainment assets and liabilities to the Company. The Company completed the Separation on December 21, 2005 and became a publicly traded company on the New York Stock Exchange trading under the symbol “LYV”. Prior to the Separation, Live Nation was a wholly-owned subsidiary of Clear Channel.

As of January 25, 2010, in connection with the Merger with Ticketmaster, the Company changed its name from Live Nation, Inc. to Live Nation Entertainment, Inc. Ticketmaster’s results of operations are included in the Company’s consolidated financial statements beginning January 26, 2010. Prior year results have not been restated as a result of the Merger.

As a result of the Merger, the Company reorganized its business units and the way in which these businesses are assessed and therefore changed its reportable segments to Concerts, Artist Nation, Ticketing, Sponsorship and eCommerce. The Concerts segment involves the promotion of live music events globally in the Company’s owned and/or operated venues and in rented third-party venues, the production of music festivals and the operation and management of music venues. The Artist Nation segment provides management services to artists and other services including merchandise, artist fan sites and VIP tickets. The Ticketing segment principally involves the management of the Company’s ticketing operations including providing ticketing software and services to clients. The Sponsorship segment manages the development of strategic sponsorship programs in addition to the sale of national and local sponsorships and placement of advertising including signage and promotional programs. The eCommerce segment provides online access for customers relating to ticket and event information and is responsible for the Company’s primary websites, *www.livenation.com* and *www.ticketmaster.com*.

***Seasonality***

Due to the seasonal nature of shows at outdoor amphitheaters and festivals, which primarily occur May through September, the Company experiences higher revenue for the Concerts segment during the second and third quarters. The Ticketing segment’s sales are impacted by fluctuations in the availability of events for sale to the public, which may vary depending upon scheduling by its clients. Generally, the first and second quarters of the year experience the highest domestic ticketing revenue, earned primarily in the concerts and sports categories. Generally, international ticketing revenue is highest in the fourth quarter of the year, earned primarily in the concerts category. The Artist Nation segment’s revenue is impacted, to a large degree, by the touring schedules of the artists represented by the Company. Generally, the Company experiences higher revenue in this segment during the second and third quarters as the period from May through September tends to be a popular time for touring events. This seasonality also results in higher balances in cash and cash equivalents, accounts receivable, prepaid expenses, accrued expenses and deferred revenue at different times in the year.

***Preparation of Interim Financial Statements***

The consolidated financial statements included in this report have been prepared by the Company pursuant to the rules and regulations of the SEC and, in the opinion of management, include all adjustments (consisting of normal recurring accruals and adjustments necessary for adoption of new accounting standards) necessary to present fairly the results of the interim periods shown. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such SEC rules and regulations. Management believes that the disclosures made are adequate to make the information presented not misleading. Due to seasonality and other factors, the results for the interim periods are not necessarily indicative of results for the full year. The financial statements contained herein should be read in conjunction with the consolidated financial statements and notes thereto included in the Company’s 2009 Annual Report on Form 10-K as amended by the Company’s Form 10-K/A filed with the SEC on April 30, 2010.

The consolidated financial statements include all accounts of the Company, its majority-owned subsidiaries and variable interest entities for which the Company is the primary beneficiary. Significant intercompany accounts among the consolidated businesses have been eliminated in consolidation. Net income (loss) attributable to noncontrolling interests is reflected for consolidated affiliates in which the Company owns more than 50%, but not all, of the voting common stock and also variable interest entities for which the Company is the primary beneficiary. Investments in nonconsolidated affiliates that are not variable interest entities in which the Company owns 20% to 50% of the voting common stock or otherwise exercises significant influence over operating and financial policies of the nonconsolidated affiliate are typically accounted for using the equity method of accounting. Investments in nonconsolidated affiliates that are not variable interest entities in which the Company owns less than 20% of the voting common stock are accounted for using the cost method of accounting.



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### ***Gross versus Net Revenue Recognition***

The Company reports revenue in its Ticketing segment on a gross or net basis based on management's assessment of whether the Company acts as a principal or agent in the transaction. To the extent the Company acts as the principal in a transaction, revenue is reported on a gross basis. The determination of whether the Company acts as a principal or an agent in a transaction is based on an evaluation of whether the Company has the substantial risks and rewards of ownership under the terms of an arrangement. The Ticketing segment's revenue, which primarily consists of convenience charges and order processing fees from ticketing operations, is recorded net of the face value of the ticket as the Company acts as an agent in these transactions.

### ***Contract Advances***

Ticketing contract advances, which can be either recoupable or non-recoupable, represent amounts paid in advance to the Company's clients pursuant to ticketing agreements. Recoupable ticketing contract advances are generally recoupable against future royalties earned by the clients based on the contract terms over the life of the contract. Non-recoupable ticketing contract advances are fixed additional incentives sometimes paid by the Company to secure exclusive rights with certain clients and are normally amortized over the life of the contract on a straight-line basis. Amortization of non-recoupable ticketing contract advances is included in depreciation and amortization in the consolidated statements of operations. For the three and six months ended June 30, 2010, the Company amortized \$3.6 million and \$4.7 million, respectively, related to nonrecoupable ticketing contract advances. There were no such amounts in the first six months of 2009.

### ***Accounts Payable, Client Accounts***

Accounts payable, client accounts consist of contractual amounts due to ticketing clients which includes the face value of tickets sold and the clients' share of convenience and order processing charges.

### ***Reclassifications***

The Company has reclassified \$14.5 million in the 2009 consolidated statement of cash flows as an increase to cash paid for purchases of property, plant and equipment and a decrease to cash used for accounts payable, accrued expenses and other liabilities. This reclassification is related to accrued capital expenditures. The Company has reclassified \$1.3 million in the 2009 consolidated statement of cash flows as a decrease to cash used for accounts payable, accrued expenses and other liabilities with an offset to the effect of exchange rate changes on cash and cash equivalents. This reclassification is related to the change in fair value of the Company's cash flow hedges. The Company has reclassified \$7.4 million in the 2009 consolidated statement of cash flows as an increase to payments for deferred and contingent consideration and a decrease to cash paid for acquisitions. This reclassification is related to a deferred payment on an acquisition of a business.

### ***Recent Accounting Pronouncements***

#### ***Recently Adopted Pronouncements***

In June 2009, the FASB issued ASU 2009-17, *Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities*, codified in ASC topic 810, *Consolidations* ("ASC 810"). This pronouncement amends portions of ASC 810 relating to variable interest entities. Among other accounting and disclosure requirements, the pronouncement replaces the quantitative-based risks and rewards calculation for determining which enterprise has a controlling financial interest in a variable interest entity with an approach focused on identifying which enterprise has the power to direct the activities of a variable interest entity and the obligation to absorb losses of the entity or the right to receive benefits from the entity. The Company adopted the relevant provisions of ASC 810 on January 1, 2010 and is applying the requirements prospectively. The Company's adoption of the variable interest entity guidance did not have a material impact on its financial position or results of operations.

In January 2010, the FASB issued ASU 2010-06, *Improving Disclosures about Fair Value Measurements*, codified in ASC topic 820, *Fair Value Measurements and Disclosures* ("ASC 820"). This pronouncement amends portions of ASC 820 to require: (i) disclosure of significant transfers in and out of Level 1 and Level 2 fair value measurements and (ii) presentation of activities within the Level 3 rollforward reconciliation on a gross basis. In addition, the pronouncement amends portions of ASC 820 to provide the following clarifications regarding existing disclosures: (i) a reporting entity should provide fair value measurement disclosures for each class of assets and liabilities and (ii) a reporting entity should provide disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements that fall in either Level 2 or Level 3. With the exception of the amendment related to presentation of the activities within the Level 3 rollforward reconciliation, which is effective for fiscal years beginning after December 15, 2010, the Company adopted the relevant provisions of ASC 820 on January 1, 2010 and has included the required disclosures in Note 7—Fair Value Measurements.

#### ***Recently Issued Pronouncements***

In October 2009, the FASB issued ASU 2009-13, *Multiple-Deliverable Revenue Arrangements* ("ASU 2009-13"), which requires an entity to allocate consideration at the inception of an arrangement to all of its deliverables based on their relative selling prices. This consensus eliminates the use of the residual method of allocation and requires allocation using the relative-selling-price method in all circumstances in which an entity recognizes revenue for an arrangement with multiple deliverables.

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ASU 2009-13 is effective for fiscal years beginning on or after June 15, 2010. The Company will adopt ASU 2009-13 on January 1, 2011 and apply it prospectively. The Company is currently assessing the impact its adoption will have on its financial position or results of operations.

### NOTE 2—LONG-LIVED ASSETS

#### *Property, Plant and Equipment*

The Company tests for possible impairment of property, plant and equipment whenever events or circumstances change, such as a significant reduction in operating cash flow or a significant change in the manner in which the asset is intended to be used which may indicate that the carrying amount of the asset may not be recoverable.

During 2010 and 2009, the Company reviewed the carrying value of certain property, plant and equipment that management determined would, more likely than not, be disposed of before the end of their previously estimated useful lives or had an indicator that future operating cash flows may not support their carrying value. It was determined that those assets were impaired since the estimated undiscounted cash flows associated with those assets were less than their carrying value. These cash flows were calculated using the estimated sales value for the assets being sold, in addition to operating cash flows, all of which were used to approximate fair value. The estimated sales value and operating cash flows used for these non-recurring fair value measurements are considered Level 2 and Level 3 inputs. The fair value hierarchy levels are discussed in more detail in Note 7—Fair Value Measurements. For the three and six months ended June 30, 2010, the Company recorded impairment charges of \$0.1 million related to an amphitheater in the Concerts segment and \$0.4 million related to an order management system project that was no longer being pursued in the Artist Nation segment. For the three and six months ended June 30, 2009, the Company recorded impairment charges of \$1.9 million and \$9.6 million, respectively, related to two theaters, two clubs and a theater development project that was no longer being pursued in the Concerts segment. The impairment charges were recorded as a component of depreciation and amortization expense.

#### *Definite-lived Intangible Assets*

The Company has definite-lived intangible assets which are amortized over the shorter of either the respective lives of the agreements or the period of time the assets are expected to contribute to the Company's future cash flows. The amortization is recognized on either a straight-line or units of production basis. The following table presents the gross carrying amount and accumulated amortization of definite-lived intangible assets as of June 30, 2010 and December 31, 2009:

	June 30, 2010			December 31, 2009		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
<i>(in thousands)</i>						
Revenue-generating contracts	\$ 456,777	\$ (69,195)	\$387,582	\$ 285,145	\$ (52,576)	\$232,569
Non-compete agreements	163,165	(55,946)	107,219	132,912	(45,568)	87,344
Venue management and leaseholds	112,658	(26,887)	85,771	112,044	(23,354)	88,690
Trademarks and naming rights	26,217	(10,108)	16,109	21,925	(8,525)	13,400
Client/vendor relationships	308,704	(16,191)	292,513	19,276	(3,930)	15,346
Technology	77,438	(3,802)	73,636	-	-	-
Other	6,941	(2,619)	4,322	7,536	(2,244)	5,292
Total	\$ 1,151,900	\$ (184,748)	\$967,152	\$ 578,838	\$ (136,197)	\$442,641

During 2010, the Company recorded additional definite-lived intangible assets totaling \$591.3 million, primarily related to revenue-generating contracts, non-compete agreements, trademarks and naming rights, client/vendor relationships and technology resulting from \$523.3 million in additions from the January 2010 Merger with Ticketmaster (see further discussion in Note 3—Business Acquisitions) along with \$64.4 million in additions in non-compete agreements, venue management and leaseholds and client/vendor relationships resulting from the April 2010 acquisition of the remaining 49% interest in Live Nation—Haymon Venues, LLC. The 2010 additions to definite-lived intangible assets have a weighted average life of approximately nine years in total and approximately nine years for revenue-generating contracts, four years for non-compete agreements, 17 years for venue management and leaseholds, seven years for trademarks and naming rights, nine years for client/vendor relationships and eight years for technology. In addition, the definite-lived intangible assets were impacted by approximately \$16.3 million of decreases from foreign exchange rate changes.

The Company tests for possible impairment of definite-lived intangible assets whenever events or circumstances change, such as a significant reduction in operating cash flow or a dramatic change in the manner in which the asset is intended to be used which may indicate that the carrying amount of the asset may not be recoverable. During 2010 and 2009, the Company reviewed the carrying value of certain definite-lived intangible assets that management determined would not be renewed or that had an indicator that future operating cash flows may not support their carrying value. It was determined that those assets

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were impaired since the estimated undiscounted cash flows associated with those assets were less than their carrying value. These cash flows were calculated using operating cash flows which were used to approximate fair value. The operating cash flows used for these non-recurring fair value measurements are considered Level 3 inputs. The levels of the fair value hierarchy are discussed in more detail in Note 7—Fair Value Measurements. For the three and six months ended June 30, 2010 and 2009, the Company recorded impairments related to definite-lived intangible assets of \$1.0 million and \$0.9 million, respectively, which are included in depreciation and amortization expense in the Company's Concerts segment.

Total amortization expense from definite-lived intangible assets for the three months ended June 30, 2010 and 2009 was \$29.7 million and \$11.5 million, respectively, and total amortization expense for the six months ended June 30, 2010 and 2009 was \$56.9 million and \$25.8 million, respectively. The increase in amortization expense is primarily driven by incremental amortization expense related to the definite-lived intangible assets associated with the Merger.

The following table presents the Company's estimate of future amortization expense for the remainder of 2010 and through 2014 for definite-lived intangible assets that exist at June 30, 2010:

	<i>(in thousands)</i>
2010	\$ 74,369
2011	\$ 130,822
2012	\$ 110,605
2013	\$ 127,687
2014	\$ 114,655

As acquisitions and dispositions occur in the future and the valuation of intangible assets for recent acquisitions is completed, amortization expense may vary.

### ***Indefinite-lived Intangible Assets***

The Company has indefinite-lived intangible assets which consist primarily of the intangible value related to trade names which are reviewed for impairment at least annually. These indefinite-lived intangible assets had a carrying value of \$382.0 million and \$28.2 million as of June 30, 2010 and December 31, 2009, respectively. As part of the Merger, the Company recorded \$354.0 million relating to the Ticketmaster trade name.

### ***Goodwill***

In 2009, the Company's reportable operating segments were North American Music, International Music and Ticketing. In 2010, subsequent to the Merger, the Company reorganized its business units and the way in which these businesses are assessed and therefore changed its reportable segments to Concerts, Artist Nation, Ticketing, Sponsorship and eCommerce. The Company's businesses formerly reported as North American Music and International Music are now allocated primarily to the Concerts segment with a portion allocated to the Company's Sponsorship segment. The Artist Nation segment is primarily made up of Ticketmaster's artist management business and the Company's artist services business which was previously reported as a component of the North American Music segment. The Company's remaining business formerly reported as Ticketing remains in the Ticketing segment in 2010 with the exception of the allocation to the Company's eCommerce segment of a fee per ticket for every ticket sold online along with online advertising. As a result of this reorganization, goodwill related to specific acquisitions was attributed to the respective new reporting units directly. The table below includes detail of the allocations from the old reportable segments to the new reportable segments.

The Company tests goodwill for impairment at least annually using a two-step process. The first step, used to screen for potential impairment, compares the fair value of the reporting unit with its carrying amount, including goodwill. The second step, used to measure the amount of any potential impairment if the first step fails, compares the implied fair value of the reporting unit with the carrying amount of goodwill. For each reportable operating segment, the reporting units were determined to be either the operating segment or the components thereof in accordance with ASC topic 350, *Intangibles-Goodwill and Other* ("ASC 350").

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The following table presents the changes in the carrying amount of goodwill in each of the Company's recasted segments for the six months ended June 30, 2010:

	2009 Segments			2010 Segments					Total
	North American Music	International Music	Other	Concerts	Artist Nation	Ticketing	eCommerce	Other	
Balance as of December 31, 2009 (1):									
Goodwill	278,987	204,672	13,037						496,696
Accumulated impairment losses	(278,987)	-	(13,037)						(292,024)
	-	204,672	-						204,672
Recast balances (2):									
Goodwill	(278,987)	(204,672)	(13,037)	448,068	35,591	-	-	13,037	-
Accumulated impairment losses	278,987	-	13,037	(243,396)	(35,591)	-	-	(13,037)	-
Acquisitions—current year				-	208,490	563,763	227,477	-	999,730
Acquisitions—prior year				298	-	-	-	-	298
Foreign currency				(40,145)	-	-	-	-	(40,145)
Balance as of June 30, 2010 (1):									
Goodwill	-	-	-	408,221	244,081	563,763	227,477	13,037	1,456,579
Accumulated impairment losses	-	-	-	(243,396)	(35,591)	-	-	(13,037)	(292,024)
	\$ -	\$ -	\$ -	\$ 164,825	\$ 208,490	\$ 563,763	\$ 227,477	\$ -	\$ 1,164,555

- (1) As of June 30, 2010 and December 31, 2009, the Sponsorship segment had no goodwill balance. As of December 31, 2009, the Ticketing segment had no goodwill balance.
- (2) The beginning balance for each segment has been recast to record goodwill related to a segment that was previously not included in the allocation. The total consolidated amount remains unchanged.

Included in the current year acquisitions amount above is \$1.0 billion of goodwill related to the Merger. See Note 3—Business Acquisitions for further discussion of the Merger.

The Company is in the process of finalizing its acquisition accounting for recent acquisitions which could result in a change to the relevant purchase price allocations including goodwill.

### **Other Operating Assets**

The Company makes investments in various operating assets, including artist rights agreements and rights related to assets for DVD production and distribution. These assets are reviewed for impairment or collectability whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. During 2010, it was determined that certain artist advances may not be recoverable since the estimated future undiscounted operating cash flows associated with those advances were less than their carrying value. These operating cash flows were also used to approximate fair value. The operating cash flows used for these non-recurring fair value measurements are considered Level 3 inputs. The fair value hierarchy levels are discussed in more detail in Note 7—Fair Value Measurements. For the six months ended June 30, 2010, the Company recorded an allowance in direct operating expenses of \$13.4 million in its Concerts segment related to these advances.

### **Long-lived Asset Disposals**

In connection with the Merger, the Company reached an agreement with the DOJ that Ticketmaster would divest its Paciolan ticketing business and, in March 2010, the Company completed this sale to Comcast. The fair value assigned to the Paciolan business by the Company in January 2010 in its acquisition accounting was \$30.0 million. Upon completion of the sale, the Company recorded a loss of \$5.2 million in its Ticketing segment. As the Company is in the process of finalizing the acquisition accounting, the fair value of Paciolan's net assets are preliminary and the loss on sale is subject to change if any adjustments are made to the fair value of Paciolan's net assets.

During the first six months of 2009, the Company did not sell any significant assets that were part of its continuing operations.

## **NOTE 3—BUSINESS ACQUISITIONS**

### **Merger with Ticketmaster**

#### **Description of Transaction**

In January 2010, Live Nation completed the merger of Ticketmaster with and into a wholly-owned subsidiary of Live Nation pursuant to the Merger Agreement. In connection with the Merger, each issued and outstanding share of Ticketmaster

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common stock was cancelled and converted into the right to receive 1.4743728 shares of Live Nation common stock plus cash in lieu of any fractional shares such that Ticketmaster stockholders received approximately 50.01% of the voting power of the combined company.

Ticketmaster operates in 19 global markets, providing ticket sales, ticket resale services, marketing and distribution through *www.ticketmaster.com*, numerous retail outlets and worldwide call centers. Established in 1976, Ticketmaster serves clients worldwide across multiple event categories, providing exclusive ticketing services for leading arenas, stadiums, professional sports franchises and leagues, college sports teams, performing arts venues, museums and theaters. Ticketmaster's business also includes the operations of Front Line, one of the world's leading artist management companies. Through Live Nation's merger with Ticketmaster, it is expected the combined company will have the tools to develop new products, expand access and deliver artists and fans more choices.

The combination of Live Nation and Ticketmaster was structured as a merger of equals. For accounting purposes, however, one of the combining enterprises must be identified as the acquirer in accordance with the guidance of ASC topic 805, *Business Combinations* ("ASC 805"). Additionally, under ASC 805, in a business combination affected primarily by exchanging equity interests, the accounting acquirer usually is the entity that issues its equity interests. ASC 805 specifies the factors to be considered in determining which combining company to treat as the acquirer for accounting purposes. Based on the Company's analysis of these factors as applied to the Merger, Live Nation was the deemed "accounting acquirer" of Ticketmaster for accounting purposes.

### ***Fair Value of Consideration Transferred***

*(in thousands except exchange ratio, share and per share amounts)*

Ticketmaster common stock outstanding on acquisition date	57,389,598
Final Exchange Ratio per share	<u>1.4743728</u>
Number of converted shares of Live Nation common stock	84,613,662
Less: fractional shares	<u>(1,312)</u>
Number of shares of Live Nation common stock issued in the Merger	84,612,350
Per share price of Live Nation common stock on January 25, 2010	\$ 10.51
Fair value of shares of Live Nation common stock issued in the Merger	\$ 889,276
Fair value of exchanged equity and liability awards (1)	\$ 40,841
Cash paid for fractional shares	\$ <u>13</u>
Total consideration transferred	<u>\$ 930,130</u>

- (1) Represents the fair value, including the tax impact, of Ticketmaster stock option, restricted stock and restricted stock unit replacement awards for precombination services provided, as well as for the precombination service portion of the outstanding shares of Ticketmaster Series A preferred stock exchanged for a note. Certain holders of restricted stock units have the right to receive cash in exchange for these instruments pursuant to the terms of those awards. The fair value of outstanding awards which immediately vested at the time of the Merger has been attributed to precombination service and included in the consideration transferred. The fair value of the awards attributed to postcombination services of \$80.4 million will be recorded as compensation cost in the postcombination financial statements of Live Nation. The fair value of the stock options exchanged related to precombination service is included in the calculation of purchase consideration and was determined using the Black-Scholes option pricing model.

### ***Recording of Assets Acquired, Liabilities Assumed and Noncontrolling Interests in Ticketmaster***

The Company has not finalized the valuation of assets acquired and liabilities assumed and the recorded amounts are subject to further revisions and such revisions could be material.

The Merger is accounted for as a business combination under the acquisition method of accounting in accordance with GAAP.

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The following table summarizes the preliminary acquisition-date fair value of the identifiable assets acquired, liabilities assumed and noncontrolling interests including an amount for goodwill:

	<i>(in thousands)</i>
Fair value of consideration transferred	\$ 930,130
Plus: Fair value of noncontrolling interests	145,008
Less: Recognized amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	575,579
Accounts receivable	137,772
Prepaid expenses	49,736
Other current assets	31,125
Asset held for sale (Paciolan)	30,000
Property, plant and equipment	64,839
Intangible assets	877,340
Investments in nonconsolidated affiliates	25,574
Other long-term assets	49,573
Accounts payable, client accounts	(390,557)
Accounts payable	(23,741)
Accrued expenses	(130,029)
Deferred revenue	(26,641)
Other current liabilities	(20,648)
Long-term debt	(837,329)
Long-term deferred income taxes	(250,655)
Other long-term liabilities	(86,530)
Goodwill	<u>\$ 999,730</u>

Goodwill represents the future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The goodwill arising from the Merger consists largely of the synergies expected from combining the operations of Live Nation and Ticketmaster. The anticipated synergies primarily relate to redundant staffing and related internal support costs, redundant locations, redundant systems and IT costs, purchasing economies of scale and expanded sponsorship revenue opportunities as well as an assembled workforce and reduced public company costs. Of the total amount of goodwill recognized in connection with the Merger, approximately \$41.4 million is expected to be deductible for tax purposes. Goodwill of \$208.5 million, \$563.7 million and \$227.5 million has been allocated to the Artist Nation, Ticketing and eCommerce segments, respectively, as a result of the Merger.

Below is a summary of the methodologies and significant assumptions used in estimating the fair value of intangible assets and noncontrolling interests.

- *Intangible assets*—The fair value of the acquired intangible assets was determined using a variety of valuation approaches. In estimating the fair value of the acquired intangible assets, the Company utilized the valuation methodology determined to be most appropriate for the individual intangible asset being valued as described below. The acquired intangible assets include the following:

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	<u>Valuation Method</u>	<u>Estimated Fair Value</u> <i>(in thousands)</i>	<u>Estimated Useful Lives (1)</u> <i>(years)</i>
Revenue-generating contracts	Multi-Period Excess Earnings (2); Incremental Income Method (3)	\$ 181,000	3 to 9
Non-compete agreements	With & Without (4)	29,840	1 to 5
Technology	Relief-from Royalty (5)	78,000	5 to 8
Trademarks and trade names (definite-lived)	Relief-from Royalty (5)	5,300	3 to 8
Client/Vendor relationships	Multi-Period Excess Earnings (2)	229,200	4 to 15
Total acquired definite-lived intangible assets		<u>523,340</u>	
Trade name (indefinite-lived)	Relief-from Royalty (5)	354,000	N/A
Total acquired intangible assets		<u>\$ 877,340</u>	

- (1) Determination of the estimated useful lives of the individual categories of intangible assets was based on the nature of the applicable intangible asset and the expected future cash flows to be derived from the intangible asset. Amortization of intangible assets with definite lives is recognized over the shorter of the respective lives of the agreement or the period of time the assets are expected to contribute to future cash flows.
- (2) The multi-period excess earnings method estimates an intangible asset's value based on the present value of the prospective net cash flows (or excess earnings) attributable to it. The value attributed to these intangibles was based on projected net cash inflows from existing contracts or relationships. Specifically, the revenue-generating contracts intangibles relate to contracts the Company has in place with various promoters, sports teams, venue locations and domestic and international ticketing outlets to distribute tickets on the clients' behalf.  
The client/vendor relationships intangibles relate to relationships the Company has in place with ticketing brokers, artists and customers. For artist relationships, the Company estimated that the touring cycle is generally three years from the release of a new album. At the conclusion of each three-year cycle, there is a possibility that the individual artist will elect to end the relationship with the artist's manager based on whether the artist has a continuing interest in touring, or simply would prefer alternative representation. The artists were grouped into three categories by age and then an estimated artist renewal rate was applied after each three-year cycle to account for the declining probability of the relationship continuing into the next cycle. For customer relationships, projected net cash inflows relate to three separate revenue streams: providing automated ticketing technology, selling VIP ticketing packages to concertgoers and selling merchandise through retail channels.
- (3) The incremental income method compares existing contractual arrangements to market comparable terms and develops incremental income representing the difference to market terms related to the contracts, if any. The value attributed to certain of the revenue-generating contracts was based on projected net cash inflows from contracts in place with specific customers.
- (4) The with & without method is a specific application of the discounted cash flow method that compares the present values of the debt-free net cash flows with and without the asset being valued and treats the difference as the asset's fair value. The value attributed to the non-compete agreements was based on projected net cash inflows from agreements with certain key executives or individuals not to enter into, or consult on behalf of, any business venture in competition with their existing business.
- (5) The relief-from royalty method estimates an intangible asset's value based on the cost savings realized by its owner as a result of not having to pay a royalty to another party for using the asset. For technology intangibles, the value attributed was based on projected net cash inflows from royalty savings realized by Ticketmaster as a result of developing its own proprietary ticketing applications, printing technology and website technology. The value attributed to trade names was

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based on projected net cash inflows from royalty savings realized by Ticketmaster from the name recognition associated with the respective entities. The Company projected earnings attributable to the acquired trade names and then applied a royalty rate of 2% to 3% to these earnings.

Some of the more significant estimates and assumptions inherent in determining the fair value of the identifiable intangible assets are associated with forecasting cash flows and profitability. The primary assumptions used were generally based upon the present value of anticipated cash flows discounted at rates ranging from 10% to 15%. Estimated years of projected earnings generally follow the range of estimated remaining useful lives for each intangible asset class.

- *Noncontrolling interests*—The fair value of the noncontrolling interests of \$145.0 million was estimated by applying the income approach. The fair value estimates are based on (i) an assumed discount rate range of 12% to 15%, (ii) a terminal cash flow growth rate of 3%, and (iii) adjustments of 0% to 30% to account for lack of marketability that market participants would consider when estimating the fair value of the individual noncontrolling interests.

### **Actual and Pro Forma Impact of Acquisition**

The revenue, income from continuing operations and net income of Ticketmaster included in the Company's consolidated statements of operations since the Merger date are as follows:

	<b>For the Three Months Ended June 30, 2010</b>	<b>From the Merger Date through June 30, 2010</b>
	<i>(in thousands)</i>	
Revenue	\$ 311,408	\$ 554,249
Income from continuing operations	\$ 15,394	\$ 12,013
Net income attributable to Live Nation Entertainment, Inc.	\$ 15,834	\$ 14,695

The following unaudited pro forma information presents the consolidated results of Live Nation and Ticketmaster for the three and six months ended June 30, 2010 and 2009, with adjustments to give effect to pro forma events that are directly attributable to the Merger and have a continuing impact, as well as to exclude the impact of pro forma events that are directly attributable to the Merger and are one-time in nature. The unaudited pro forma information is presented for illustrative purposes only and is not necessarily indicative of the results of operations of future periods or the results of operations that actually would have been realized had the entities been a single company during the periods presented or the results that the combined company will experience after the Merger. The unaudited pro forma information does not give effect to the potential impact of current financial conditions, regulatory matters or any anticipated synergies, operating efficiencies or cost savings that may be associated with the Merger. The unaudited pro forma information also does not include any integration costs, dis-synergies or remaining future transaction costs that the companies may incur related to the Merger as part of combining the operations of the companies.

The unaudited pro forma consolidated results of operations, assuming the acquisition had occurred on January 1, 2009, are as follows:

	<b>For the Three Months Ended June 30,</b>		<b>For the Six Months Ended June 30,</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<i>(in thousands)</i>			
<b>Unaudited pro forma consolidated results:</b>				
Revenue	\$1,247,640	\$1,365,608	\$2,020,951	\$2,183,973
Loss from continuing operations	\$ (26,568)	\$ (525)	\$ (107,965)	\$ (87,722)
Net income (loss) attributable to Live Nation Entertainment, Inc.	\$ (28,513)	\$ 6,375	\$ (108,523)	\$ (74,895)

The Company has incurred a total of \$45.4 million of acquisition transaction expenses to date relating to the Merger, of which \$1.5 million and \$14.9 million are included in the results of operations for the three months ended June 30, 2010 and 2009, respectively, and \$10.5 million and \$18.6 million are included in the results of operations for the six months ended June 30, 2010 and 2009, respectively. The Company has incurred a total of \$2.7 million of equity issuance costs to date which have been recorded as a charge to additional paid-in capital, as a reduction of the otherwise determined fair value of the equity issued.



In connection with the Merger, the Company has accrued severance costs of \$0.9 million, \$2.8 million, (\$0.2) million and \$0.5 million as a component of selling, general and administrative expenses in its Artist Nation, Ticketing, Sponsorship and eCommerce segments, respectively, and \$0.6 million as a component of corporate expenses for the three months ended June 30, 2010 and \$1.1 million, \$6.5 million, \$0.1 million and \$0.7 million as a component of selling, general and administrative expenses in its Artist Nation, Ticketing, Sponsorship and eCommerce segments, respectively, and \$4.7 million as a component of corporate expenses for the six months ended June 30, 2010.

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**NOTE 4—DISCONTINUED OPERATIONS**

In October 2009, the Company sold its remaining theatrical venues and operations in the United Kingdom for a gross sales price of approximately \$148.7 million to The Ambassador Theatre Group Limited. After fees, expenses, an adjustment to replace the show cash of the theatrical business that was previously removed from the operations and utilized by the Company and a working capital adjustment, the Company received approximately \$111.3 million of net proceeds. The sale of the U.K. theatrical business resulted in a tax-free gain of \$56.6 million in the fourth quarter of 2009. For the three and six months ended June 30, 2010, the Company reported an additional \$0.4 million and \$0.7 million of related expense, respectively.

The Company has reported the U.K. theatrical business as discontinued operations in accordance with ASC topic 205, *Presentation of Financial Statements*. During 2009, the Company also sold its 33% interest in Dominion Theatre Investments Limited which was part of the U.K. theatrical business. Accordingly, the results of operations for all periods presented have been reclassified.

Summary operating results of discontinued operations are as follows:

	<u>For the Three</u> <u>Months Ended June 30,</u>		<u>For the Six</u> <u>Months Ended June 30,</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	<i>(in thousands)</i>			
Revenue	\$ -	\$ 15,799	\$ -	\$ 30,145
Operating expenses	-	11,099	-	21,621
Gain on sale of operating assets	-	-	-	(4)
Other income—net	-	(200)	-	(625)
Income from discontinued operations before income taxes	-	4,900	-	9,153
Income tax expense	-	1,402	-	2,691
Income from discontinued operations before loss on disposal	-	3,498	-	6,462
Loss on disposal, net of tax	377	-	680	-
Income (loss) from discontinued operations, net of tax	(377)	3,498	(680)	6,462
Income (loss) from discontinued operations attributable to noncontrolling interests	-	-	-	-
Income (loss) from discontinued operations attributable to Live Nation Entertainment, Inc.	\$ (377)	\$ 3,498	\$ (680)	\$ 6,462

**NOTE 5—LONG-TERM DEBT**

Long-term debt, which includes capital leases, at June 30, 2010 and December 31, 2009, consisted of the following:

	<u>June 30,</u> <u>2010</u>	<u>December 31,</u> <u>2009</u>
	<i>(in thousands)</i>	
May 2010 Senior Secured Credit Facility:		
Term loan A	\$ 98,750	\$ -
Term loan B, net of unamortized discount of \$3.9 million at June 30, 2010	794,105	-
Revolving credit facility	-	-
December 2005 Senior Secured Credit Facility:		
Term loan	-	343,483
Revolving credit facility	-	101,335
8.125% Senior Notes due 2018	250,000	-
10.75% Senior Notes due 2016, plus unamortized premium of \$24.8 million at June 30, 2010	311,783	-
2.875% Convertible Senior Notes due 2027, net of unamortized discount of \$48.0 million at June 30, 2010 and \$52.8 million at December 31, 2009	171,954	167,217
Other long-term debt	112,058	128,034
	1,738,650	740,069
Less: current portion	46,522	41,032
Total long-term debt, net	<u>\$1,692,128</u>	<u>\$ 699,037</u>

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Future maturities of long-term debt at June 30, 2010 are as follows:

	<i>(in thousands)</i>
2010	\$ 41,228
2011	37,394
2012	35,741
2013	27,710
2014	262,826
Thereafter	1,360,889
Total	1,765,788
Debt discount	(51,941)
Debt premium	24,803
Total including premium and discount	<u>\$1,738,650</u>

All long-term debt without a stated maturity date is considered current and is reflected as maturing in the earliest period shown in the table above. See Note 7—Fair Value Measurements for discussion of fair value measurement of the Company's long-term debt.

### **May 2010 Senior Secured Credit Facility**

In May 2010, the Company replaced its existing senior secured credit facilities, including the Ticketmaster senior secured credit facility, by entering into a Credit Agreement dated as of May 6, 2010 that provides for \$1.2 billion in credit facilities. As a result, the Company recorded a loss on extinguishment of debt during the second quarter of 2010. This new senior secured credit facility consists of (i) a \$100 million term loan A with a maturity of five and one-half years, (ii) an \$800 million term loan B with a maturity of six and one-half years and (iii) a \$300 million revolving credit facility with a maturity of five years. In addition, subject to certain conditions, the Company has the right to increase such facilities by up to \$300 million in the aggregate. The five-year revolving credit facility provides for borrowings up to the amount of the facility with sublimits of up to (i) \$150 million to be available for the issuance of letters of credit, (ii) \$50 million to be available for swingline loans and (iii) \$100 million to be available for borrowings in foreign currencies.

The interest rates per annum applicable to loans under the senior secured credit facility are, at the Company's option, equal to either LIBOR plus 3.0% or a base rate plus 2.0%, subject to stepdowns based on the Company's leverage ratio. The interest rate for the term loan B is subject to a LIBOR floor of 1.5% and a base rate floor of 2.5%. The Company is required to pay a commitment fee of 0.5% per year on the undrawn portion available under the revolving credit facility and variable fees on outstanding letters of credit.

During the first five and one-quarter years after the closing date, the Company will be required to make quarterly payments on the term loan A at a rate ranging from 5% of the original principal amount in the first year of the facility to 40% in the last half-year of the facility. During the first six and one-quarter years after the closing date, the Company will be required to make quarterly amortization payments on the term loan B at a rate of 0.25% of the original principal amount thereof. The Company is also required to make mandatory prepayments of the loans under the Credit Agreement, subject to specified exceptions, from excess cash flow, and with the proceeds of asset sales, debt issuances and specified other events.

At June 30, 2010, the outstanding balance on the term loans, excluding the debt discount, and revolving credit facility were \$896.8 million and zero, respectively. Based on the Company's outstanding letters of credit of \$43.7 million, \$256.3 million was available for future borrowings.

### **8.125% Senior Notes**

In May 2010, the Company issued \$250 million of 8.125% senior notes due 2018. Interest on the notes is payable semi-annually in cash in arrears on May 15 and November 15 of each year, beginning on November 15, 2010, and the notes will mature on May 15, 2018. The Company may redeem some or all of the notes at any time prior to May 15, 2014 at a price equal to 100% of the principal amount, plus any accrued and unpaid interest to the date of redemption, plus a 'make-whole' premium using a discount rate equal to the Treasury Rate plus 50 basis points. The Company may also redeem up to 35% of the notes from the proceeds of certain equity offerings prior to May 15, 2013, at a price equal to 108.125% of their principal amount, plus any accrued and unpaid interest. In addition, on or after May 15, 2014, the Company may redeem some or all of the notes at any time at redemption prices that start at 104.063% of their aggregate principal amount. The Company must also offer to redeem the notes at 101% of their principal amount, plus accrued and unpaid interest to the repurchase date, if it experiences certain kinds of changes of control.

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### ***10.75% Senior Notes***

As part of the Merger, the Company acquired 10.75% senior notes due 2016, which were originally issued by Ticketmaster in a \$300 million aggregate principal amount. Interest is payable semi-annually in cash in arrears on August 1 and February 1 of each year. These notes are guaranteed by existing and future domestic restricted subsidiaries of Ticketmaster. Prior to the Merger, Ticketmaster repurchased and retired \$13 million aggregate principal amount of the 10.75% senior notes, such that \$287 million in aggregate principal amount is currently outstanding.

The notes are redeemable by the Company, in whole or in part, on or after August 1, 2012 at the following prices (expressed as percentages of the principal amount), plus accrued and unpaid interest, on August 1 of the following years: 105.375% (2012), 102.688% (2013) and 100.00% (2014 and thereafter). At any time and from time to time prior to August 1, 2012, the notes are redeemable by the Company at a redemption price equal to 100% of the principal amount plus the greater of (i) 1% of the principal amount of such note; and (ii) the excess, if any, of: (A) an amount equal to the present value of (1) the redemption price of such note at August 1, 2012, plus (2) the remaining scheduled interest payments on the notes to be redeemed (subject to the right of holders on the relevant record date to receive interest due on the relevant interest payment date) to August 1, 2012 (other than interest accrued to the redemption date), computed using a discount rate equal to the Treasury Rate plus 50 basis points; over (B) the principal amount of the notes to be redeemed. In addition, up to 35% of the notes may be redeemed by the Company with proceeds from certain equity offerings before August 1, 2011 at a price equal to 110.75% of their principal amount, plus accrued and unpaid interest. The Company must also offer to redeem the notes at 101% of their principal amount, plus accrued and unpaid interest, if it experiences certain kinds of changes of control. Due to its legal structure, the Merger was not considered a restricted transaction under these covenants and did not meet the requirements of a change of control. Lastly, if certain of the Company's subsidiaries (specifically, those that are designated restricted subsidiaries under the indenture governing the notes) sell assets and do not apply the sale proceeds in a specified manner within a specified time, the Company will be required to make an offer to purchase the notes at their face amount, plus accrued and unpaid interest to the repurchase date.

### ***Debt Extinguishment***

The December 2005 senior secured credit facility and the Ticketmaster senior secured credit facility were paid in full in May 2010 with proceeds from the May 2010 senior secured credit facility and the issuance of the 8.125% senior notes. In addition, the interest rate swap agreements affiliated with the December 2005 senior secured credit facility were settled in conjunction with the termination of the prior credit facility. Please refer to Note 6—Derivative Instruments for further discussion of the interest rate swap settlements. Also, the Company converted the existing preferred stock of one of its subsidiaries into the right to receive a cash payment of the outstanding principal and a make-whole payment to compensate the holders for their interest through maturity. Finally, the Company expensed the deferred debt issuance costs associated with the December 2005 senior secured credit facility and preferred stock. The Company recorded a total of \$21.2 million for the loss on extinguishment of debt in the second quarter of 2010.

#### *December 2005 Senior Secured Credit Facility*

The Company had a senior secured credit facility that was entered into in December 2005 which consisted of term loans totaling \$550 million and a \$285 million revolving credit facility. Under the senior secured credit facility, revolving loans bore interest at an annual rate of LIBOR plus 2.25%, subject to stepdowns based on the Company's leverage ratio at the time of borrowing, and term loans bore interest at an annual rate of LIBOR plus 3.25%.

The interest rate paid on the Company's \$285 million, multi-currency revolving credit facility depended on its total leverage ratio. In addition to paying interest on outstanding principal under the credit facility, the Company was required to pay a commitment fee to the lenders under the revolving credit facility in respect of the unutilized commitments. The Company was also required to pay customary letter of credit fees, as necessary.

#### *Ticketmaster Senior Secured Credit Facility*

As part of the Merger, the Company acquired the Ticketmaster senior secured credit facility, which consisted of a \$100 million term loan A with a maturity of five years, a \$350 million term loan B with a maturity of six years and a \$200 million revolving credit facility with a maturity of five years.

The interest rates per annum applicable to loans under the senior secured credit facility was, at the Company's option, equal to either a base rate or LIBOR plus an applicable margin, which in the case of the term loan A and the revolver would vary with the total leverage ratio of Ticketmaster. The applicable margin for the term loan B was 4.5% per annum for LIBOR loans and 3.5% per annum for base rate loans. The base rate means the greater of (i) the prime rate as quoted from time to time by JPMorgan Chase Bank, N.A. or (ii) the Federal Funds rate plus 0.5%.

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### ***Debt Covenants***

The Company's senior secured credit facility, which was entered into in May 2010, contains a number of covenants and restrictions that, among other things, require the Company to satisfy certain financial covenants and restrict the Company's and its subsidiaries' ability to incur additional debt, make certain investments and acquisitions, repurchase its stock and prepay certain indebtedness, create liens, enter into agreements with affiliates, modify the nature of its business, enter into sale-leaseback transactions, transfer and sell material assets, merge or consolidate, and pay dividends and make distributions, (with the exception of subsidiary dividends or distributions to the parent company or other subsidiaries on at least a pro-rata basis with any noncontrolling interest partners). Non-compliance with one or more of the covenants and restrictions could result in the full or partial principal balance of the credit facility becoming immediately due and payable. The senior secured credit facility agreement has two covenants measured quarterly starting June 30, 2010 that relate to total leverage and interest coverage. The consolidated total leverage covenant requires the Company to maintain a ratio of consolidated total debt to consolidated EBITDA (both as defined in the senior secured credit facility agreement) of less than 4.9x over the trailing four consecutive quarters. The total leverage ratio will reduce to 4.5x on September 30, 2011, 4.0x on September 30, 2012, 3.75x September 30, 2013 and 3.5x on March 31, 2015. The consolidated interest coverage covenant requires the Company to maintain a minimum ratio of consolidated EBITDA to consolidated interest expense (both as defined in the senior secured credit facility agreement) of 2.5x over the trailing four consecutive quarters. The interest coverage will increase to 2.75x on September 30, 2011, and 3.0x on September 30, 2012.

The indentures governing the 10.75% senior notes and the 8.125% senior notes contain covenants that limit, among other things, the Company's ability and the ability of its restricted subsidiaries to incur certain additional indebtedness and issue preferred stock; make certain distributions, investments and other restricted payments; sell certain assets; agree to any restrictions on the ability of restricted subsidiaries to make payments to the Company; merge, consolidate or sell all of the Company's assets; create certain liens; and engage in transactions with affiliates on terms that are not arm's length. Certain covenants, including those pertaining to incurrence of indebtedness, restricted payments, asset sales, mergers and transactions with affiliates will be suspended during any period in which the notes are rated investment grade by both rating agencies and no default or event of default under the indentures has occurred and is continuing. The 10.75% senior notes and the 8.125% senior notes each contain two incurrence-based financial covenants, as defined, requiring a minimum fixed charge coverage ratio of 2.0 to 1.0 and a maximum secured indebtedness leverage ratio of 2.75 to 1.0.

As of June 30, 2010, the Company believes it was in compliance with all of its debt covenants. The Company expects to remain in compliance with all of its debt covenants throughout 2010.

### **NOTE 6—DERIVATIVE INSTRUMENTS**

The Company is required to recognize all of its derivative instruments as either assets or liabilities in the consolidated balance sheet at fair value. Refer to Note 7—Fair Value Measurements for fair value measurement of derivative instruments. The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship, and further, on the type of hedging relationship. For derivative instruments that are designated and qualify as hedging instruments, the Company must designate the hedging instrument, based upon the exposure being hedged, as a fair value hedge, a cash flow hedge or a hedge of a net investment in a foreign operation. The Company formally documents all relationships between designated hedging instruments and hedged items, as well as its risk management objectives and strategies for undertaking various hedge transactions. The Company formally assesses, both at inception and at least quarterly thereafter, whether the derivatives that are designated in hedging transactions are highly effective in offsetting changes in either the fair value or cash flows of the hedged item. If a derivative ceases to be a highly effective hedge, the Company discontinues hedge accounting. The Company accounts for its derivative instruments that are not designated as hedges at fair value with changes in fair value recorded in earnings to the same line item associated with the forecasted transaction. The Company does not enter into derivative instruments for speculation or trading purposes.

For derivative instruments that are designated and qualify as a cash flow hedge (i.e., hedging the exposure to variability in expected future cash flows that is attributable to a particular risk), the effective portion of the gain or loss on the derivative instrument is reported as a component of OCI and reclassified into earnings in the same line item associated with the forecasted transaction in the same period or periods during which the hedged transaction affects earnings (for example, in interest expense when the hedged transactions are interest cash flows associated with floating-rate debt). The remaining gain or loss on the derivative instrument in excess of the cumulative change in the present value of future cash flows of the hedged item, if any, is recognized in other expense (income)—net in current earnings in the consolidated statements of operations during the period of change.

In May 2010, in conjunction with the debt extinguishment discussed in Note 5—Long-Term Debt, the Company settled three interest rate swap agreements, one of which was designated as a cash flow hedge for accounting purposes, that were associated with the term loans under the Company's December 2005 senior secured credit facility. The Company recognized expenses of \$2.2 million and \$2.3 million for the settlement of the designated and undesignated interest rate swap agreements, respectively, as a component of loss on extinguishment of debt.

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In May 2010, the Company entered into an interest rate cap agreement which is designated as a cash flow hedge for accounting purposes. The interest payments being hedged are the LIBOR-based interest payments for term loan A, under the senior secured credit facility, which has an outstanding balance of \$98.8 million as of June 30, 2010, declining on a quarterly basis to \$75.0 million as of June 30, 2013. The purpose of the interest rate cap agreement is to limit the Company's cash flow exposure to the variable LIBOR rate to a maximum interest rate of 4% per annum. That is, if the LIBOR-based interest rate exceeds 4% per annum during the quarter, the counterparty will pay the Company an amount equal to the LIBOR interest payment in excess of 4% per annum. The Company will reclassify the unrealized gain from accumulated OCI into earnings when interest expense is recognized on its variable-rate debt. The Company expects no gain or loss to be reclassified into earnings within the next 12 months. Approximately 11% of the Company's outstanding term loans under the senior secured credit facility had their interest payments designated as the hedged forecasted transactions against the interest rate cap agreement at June 30, 2010.

Additionally, the Company has two interest rate swap agreements that have not been designated as hedging instruments. The Company has an interest rate swap agreement to convert a portion of AMG's long-term debt from floating-rate debt to a fixed-rate basis with a notional amount of \$16.5 million. Also, in connection with the financing of the redevelopment of the O<sub>2</sub> Dublin, the Company has an interest rate swap agreement to convert a portion of long-term debt from floating-rate debt to a fixed-rate basis with a notional amount of \$15.1 million. Any change in fair value is recorded in earnings during the period of the change.

The Company's 2.875% convertible senior notes issued in July 2007 include certain provisions which are bifurcated from the notes and accounted for as derivative instruments. At the date of issuance and as of June 30, 2010 and December 31, 2009, the fair value of these provisions is considered de minimis.

The Company uses forward currency contracts to reduce its exposure to foreign currency risk. The principal objective of such contracts is to minimize the risks and/or costs associated with short-term artist fee commitments. The Company also enters into forward currency contracts to minimize the risks and/or costs associated with changes in foreign currency rates on short-term intercompany loans payable to certain international subsidiaries and on forecasted operating income. At June 30, 2010 and December 31, 2009, the Company had forward currency contracts outstanding with notional amounts of \$145.9 million and \$5.9 million, respectively. These forward currency contracts have not been designated as hedging instruments. Any change in fair value is reported in earnings during the period of the change.

The fair value of derivative instruments in the consolidated balance sheets as of June 30, 2010 and December 31, 2009 was as follows:

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As of June 30, 2010			
Asset Derivatives		Liability Derivatives	
Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
<i>(in thousands)</i>			
<b>Derivatives designated as hedging instruments:</b>			
Interest rate cap	Other long-term assets	\$ 212	Other current liabilities
			\$ -
<b>Total derivatives designated as hedging instruments</b>		<u>212</u>	<u>-</u>
<b>Derivatives not designated as hedging instruments:</b>			
Interest rate swaps	Other long-term assets	-	Other long-term liabilities
			(1,931)
Forward currency contracts	Other current assets	3,212	Other current liabilities
			(1,233)
Contingent interest provision on 2.875% convertible senior notes (1)		<u>-</u>	<u>-</u>
<b>Total derivatives not designated as hedging instruments</b>		<u>3,212</u>	<u>(3,164)</u>
<b>Total derivatives</b>		<u>\$3,424</u>	<u>\$(3,164)</u>
As of December 31, 2009			
Asset Derivatives		Liability Derivatives	
Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
<i>(in thousands)</i>			
<b>Derivatives designated as hedging instruments:</b>			
Interest rate swap	Other long-term assets	\$ -	Other current liabilities
			\$(3,255)
Forward currency contract	Other current assets	71	Other current liabilities
			-
<b>Total derivatives designated as hedging instruments</b>		<u>71</u>	<u>(3,255)</u>
<b>Derivatives not designated as hedging instruments:</b>			
Interest rate swaps	Other long-term assets	378	Other long-term liabilities
			(6,603)
Forward currency contracts	Other current assets	144	Other current liabilities
			(7)
Contingent interest provision on 2.875% convertible senior notes (1)		<u>-</u>	<u>-</u>
<b>Total derivatives not designated as hedging instruments</b>		<u>522</u>	<u>(6,610)</u>
<b>Total derivatives</b>		<u>\$593</u>	<u>\$(9,865)</u>

(1) At the date of issuance and as of June 30, 2010 and December 31, 2009, this fair value was considered de minimis.

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The effect of derivative instruments on the consolidated statements of operations for the three months ended June 30, 2010 and 2009 was as follows:

For the Three Months Ended June 30, 2010					
Derivatives Designated as Cash Flow Hedging Instruments	Amount of Gain (Loss) Recognized in OCI on Derivative (Effective Portion)	Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Location of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)
<i>(in thousands)</i>					
Interest rate cap	\$ 225	Interest expense	\$ -	Other expense (income)—net	\$ -
Interest rate swaps	\$ (30)	Interest expense	\$ (533)	Other expense (income)—net	\$ -
Interest rate swaps	\$ -	Loss on extinguishment of debt	\$ (4,484)		\$ -
Forward currency contract	\$ 155	Direct operating expenses	\$ 344	Other expense (income)—net	\$ -
Derivatives Not Designated as Hedging Instruments	Amount of Gain (Loss) Recognized in Income on Derivatives	Location of Gain (Loss) Recognized in Income on Derivatives			
<i>(in thousands)</i>					
Interest rate swaps	\$ (3,062)	Interest expense			
Forward currency contracts	\$ 641	Revenue			
Forward currency contracts	\$ 1,529	Direct operating expenses			
Contingent interest provision on 2.875% convertible senior notes (1)	\$ -	Other expense (income)—net			
For the Three Months Ended June 30, 2009					
Derivatives Designated as Cash Flow Hedging Instruments	Amount of Gain (Loss) Recognized in OCI on Derivative (Effective Portion)	Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Location of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)	Amount of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)
<i>(in thousands)</i>					
Interest rate swap	\$ (1,103)	Interest expense	\$ (1,659)	Other expense (income)—net	\$ -
Derivatives Not Designated as Hedging Instruments	Amount of Gain (Loss) Recognized in Income on Derivatives	Location of Gain (Loss) Recognized in Income on Derivatives			
<i>(in thousands)</i>					
Interest rate swaps	\$ 57	Interest expense			
Forward currency contracts	\$ (6,226)	Direct operating expenses			
Contingent interest provision on 2.875% convertible senior notes (1)	\$ -	Other expense (income)—net			

(1) For the three months ended June 30, 2010 and 2009, this provision was considered de minimis and no gain (loss) was recognized.



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The effect of derivative instruments on the consolidated statements of operations for the six months ended June 30, 2010 and 2009 was as follows:

For the Six Months Ended June 30, 2010					
<u>Derivatives Designated as Cash Flow Hedging Instruments</u>	<u>Amount of Gain (Loss) Recognized in OCI on Derivative (Effective Portion)</u>	<u>Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)</u>	<u>Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)</u>	<u>Location of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)</u>	<u>Amount of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)</u>
		<i>(in thousands)</i>			
Interest rate cap	\$ 225	Interest expense	\$ -	Other expense (income)—net	\$ -
Interest rate swaps	\$ (222)	Interest expense	\$ (2,780)	Other expense (income)—net	\$ -
Interest rate swaps	\$ -	Loss on extinguishment of debt	\$ (4,484)		\$ -
Forward currency contract	\$ 273	Direct operating expenses	\$ 344	Other expense (income)—net	\$ -
<u>Derivatives Not Designated as Hedging Instruments</u>	<u>Amount of Gain (Loss) Recognized in Income on Derivatives</u>	<u>Location of Gain (Loss) Recognized in Income on Derivatives</u>			
		<i>(in thousands)</i>			
Interest rate swaps	\$ (1,415)	Interest expense			
Forward currency contracts	\$ 641	Revenue			
Forward currency contracts	\$ 1,431	Direct operating expenses			
Contingent interest provision on 2.875% convertible senior notes (1)	\$ -	Other expense (income)—net			

  

For the Six Months Ended June 30, 2009					
<u>Derivatives Designated as Cash Flow Hedging Instruments</u>	<u>Amount of Gain (Loss) Recognized in OCI on Derivative (Effective Portion)</u>	<u>Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)</u>	<u>Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)</u>	<u>Location of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)</u>	<u>Amount of Gain (Loss) Recognized in Income on Derivatives (Ineffective Portion and Amount Excluded from Effectiveness Testing)</u>
		<i>(in thousands)</i>			
Interest rate swap	\$ (2,120)	Interest expense	\$ (3,480)	Other expense (income)—net	\$ -
		<i>(in thousands)</i>			
<u>Derivatives Not Designated as Hedging Instruments</u>	<u>Amount of Gain (Loss) Recognized in Income on Derivatives</u>	<u>Location of Gain (Loss) Recognized in Income on Derivatives</u>			
Interest rate swaps	\$ (398)	Interest expense			
Forward currency contracts	\$ (4,511)	Direct operating expenses			
Contractual guarantee (2)	\$ (2,398)	Depreciation and amortization expense			
Contingent interest provision on 2.875% convertible senior notes	\$ -	Other expense (income)—net			

(1) For the six months ended June 30, 2010 and 2009, this provision was considered de minimis and no gain (loss) was recognized.

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(2) The contractual guarantee was settled in the first quarter of 2009.

**NOTE 7—FAIR VALUE MEASUREMENTS**

The Company currently has various financial instruments carried at fair value such as marketable securities, derivatives and contingent consideration, but does not currently have nonfinancial assets and nonfinancial liabilities that are required to be measured at fair value on a recurring basis. The Company’s financial assets and liabilities are measured using inputs from three levels of the fair value hierarchy as defined by ASC 820. For this categorization, only inputs that are significant to the fair value are considered. The three levels are defined as follows:

Level 1—Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2—Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (i.e., interest rates, yield curves, etc.) and inputs that are derived principally from or corroborated by observable market data by correlation or other means (i.e., market corroborated inputs).

Level 3—Unobservable inputs that reflect assumptions about what market participants would use in pricing the asset or liability. These inputs would be based on the best information available, including the Company’s own data.

In accordance with the fair value hierarchy described above, the following table shows the fair value of the Company’s financial assets and liabilities that are required to be measured at fair value on a recurring basis, as of June 30, 2010 and December 31, 2009, which are classified as other current assets, other long-term assets, other current liabilities and other long-term liabilities:

	Fair Value Measurements at June 30, 2010				Fair Value Measurements at December 31, 2009			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	<i>(in thousands)</i>				<i>(in thousands)</i>			
<b>Assets:</b>								
Cash equivalents	\$50,000	\$ -	\$ -	\$50,000	\$ -	\$ -	\$ -	\$ -
Forward currency contracts	-	2,208	-	2,208	-	208	-	208
Interest rate cap	-	212	-	212	-	-	-	-
Investments in rabbi trusts	3,487	-	-	3,487	3,431	-	-	3,431
Total	<u>\$53,487</u>	<u>\$2,420</u>	<u>\$ -</u>	<u>\$55,907</u>	<u>\$3,431</u>	<u>\$ 208</u>	<u>\$ -</u>	<u>\$ 3,639</u>
<b>Liabilities:</b>								
Interest rate swaps	\$ -	\$1,931	\$ -	\$ 1,931	\$ -	\$9,480	\$ -	\$ 9,480
Forward currency contracts	-	229	-	229	-	-	-	-
Contingent consideration	-	-	21,140	21,140	-	-	-	-
Other liabilities	3,487	-	-	3,487	3,431	-	-	3,431
Total	<u>\$ 3,487</u>	<u>\$2,160</u>	<u>\$21,140</u>	<u>\$26,787</u>	<u>\$3,431</u>	<u>\$9,480</u>	<u>\$ -</u>	<u>\$12,911</u>

Cash equivalents consist of money market funds and commercial paper that are quoted in an active market. Forward currency contracts are based on observable market transactions of spot and forward rates. Investments in rabbi trusts include exchange-traded equity securities and mutual funds. Fair values for these investments are based on quoted prices in active markets. Fair values for the interest rate swaps are based upon inputs corroborated by observable market data with similar tenors. Other liabilities represent deferred compensation obligations to employees under certain plans. The liabilities related to these plans are adjusted based on changes in the fair value of the underlying employee-directed investments and therefore are classified consistent with the investments.

The Company has certain contingent consideration obligations related to acquisitions which are measured at fair value using Level 3 inputs. The amounts due to the sellers are based on the achievement of agreed upon financial performance metrics by the acquired companies. The Company records the liability at the time of the acquisition based on management’s best estimates of the future results of the acquired companies compared to the agreed-upon metrics. The most significant estimate involved in the measurement process is the projection of future cash flows of the acquired companies. By comparing these estimates to the agreed upon metrics, the Company estimates the amount, if any, anticipated to be paid to the seller on the agreed upon future date. For obligations payable at a date greater than twelve months from the acquisition date, the Company applies a discount rate to present value the estimated obligations. The discount rate is intended to reflect the risks of ownership and the associated risks of realizing the stream of projected cash flows. Subsequent to the date of acquisition, the Company updates the original valuation to reflect updated projections of future cash flows of the acquired companies and the passage of time. Refer to Note 8—Commitments and Contingent Liabilities for additional information related to the contingent payments.

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The following table summarizes the changes in fair value of the Company's Level 3 liabilities for the six months ended June 30, 2010:

	<u>Contingent Consideration</u> <i>(in thousands)</i>
Balance as of December 31, 2009	\$ -
Total losses (realized/unrealized) :	
Included in earnings (or changes in net assets)	4,555
Included in other comprehensive income (loss)	-
Purchases	20,760
Issuances	-
Settlements	(4,175)
Transfer in and/or out of Level 3	-
Balance as of June 30, 2010	<u>\$ 21,140</u>

The amount of total losses for the period included in earnings (or changes in net assets) attributable to the change in unrealized gains or losses relating to assets still held at June 30, 2010	<u>\$ 4,555</u>
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Changes in the valuations of the contingent consideration were reported in acquisition transaction expenses for the three and six months ended June 30, 2010.

Due to the short maturity, the carrying amounts of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximated their fair values at June 30, 2010 and December 31, 2009.

The Company's outstanding debt held by third-party financial institutions is carried at cost, net of premiums or discounts. The Company's debt is not publicly-traded and for the Company's debt that accrues interest at a variable rate, the carrying amounts typically approximate their fair value. The estimated fair values of the 8.125% senior notes, the 10.75% senior notes and the 2.875% convertible senior notes were \$242.2 million, \$307.8 million and \$181.5 million at June 30, 2010, respectively. The estimated fair value of the 2.875% convertible senior notes was \$176.0 million at December 31, 2009. The estimated fair value of our third-party fixed-rate debt is based on third-party quotes, which are considered to be level 2 inputs.

The Company has fixed rate debt with a noncontrolling interest partner of \$28.5 million and \$31.9 million at June 30, 2010 and December 31, 2009, respectively. The Company is unable to determine the fair value of this debt.

### **NOTE 8—COMMITMENTS AND CONTINGENT LIABILITIES**

The Company has leases that contain contingent payment requirements for which payments vary depending on revenue, tickets sold or other variables.

Certain agreements relating to acquisitions that occurred prior to the adoption in January 2009 of the new accounting guidance in ASC 805 provide for purchase price adjustments and other future contingent payments based on the financial performance of the acquired companies. The Company will accrue additional amounts related to such contingent payments, with a corresponding adjustment to goodwill, if and when it is determinable that the applicable financial performance targets will be met. The aggregate of these contingent payments, if performance targets are met, would not significantly impact the financial position or results of operations of the Company.

The Company has certain contingent obligations related to acquisitions made of various artist management companies and a concert promotion company. In accordance with the current guidance for business combinations, contingent consideration must be accrued at the time of the acquisition. The contingent consideration is generally subject to payout following the achievement of future performance targets and some may be payable in 2010. As of June 30, 2010, the Company has accrued \$9.2 million in other current liabilities and \$11.9 million in other long-term liabilities representing the fair value of these estimated earn-out arrangements. Refer to Note 7—Fair Value Measurements for further discussion related to the valuation of the earn-out payments.

### **CTS Arbitration**

CTS filed a request for arbitration with the International Court of Arbitration of the International Chamber of Commerce in April 2010. CTS asserts that the Company has breached its obligations under the terms of its agreement with CTS and failed to allocate the proper number of tickets to CTS's system in the United Kingdom, and that the Merger with Ticketmaster and the Company's subsequent actions have breached the implied covenant of good faith and fair dealing. CTS seeks a declaration that the Company is in breach of the agreement and of the implied covenant of good faith and fair dealing, unspecified damages resulting from such breaches and specific performance of the Company's obligations under the agreement. In June 2010, the Company terminated its agreement with CTS, based on CTS' multiple, material failures to perform its obligations under the agreement. The Company intends to vigorously defend the action.

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### **Live Concert Antitrust Litigation**

The Company was a defendant in a lawsuit filed by Malinda Heerwagen in June 2002 in U.S. District Court. The plaintiff, on behalf of a putative class consisting of certain concert ticket purchasers, alleged that anti-competitive practices for concert promotion services by the Company nationwide caused artificially high ticket prices. In August 2003, the District Court ruled in the Company's favor, denying the plaintiff's class certification motion. The plaintiff appealed to the U.S. Court of Appeals. In January 2006, the Court of Appeals affirmed, and the plaintiff then dismissed her action that same month. Subsequently, twenty-two putative class actions were filed by different named plaintiffs in various U.S. District Courts throughout the country, making claims substantially similar to those made in the *Heerwagen* action, except that the geographic markets alleged are regional, statewide or more local in nature, and the members of the putative classes are limited to individuals who purchased tickets to concerts in the relevant geographic markets alleged. The plaintiffs seek unspecified compensatory, punitive and treble damages, declaratory and injunctive relief and costs of suit, including attorneys' fees. The Company has filed its answers in some of these actions and has denied liability. In April 2006, granting the Company's motion, the Judicial Panel on Multidistrict Litigation transferred these actions to the U.S. District Court for the Central District of California for coordinated pre-trial proceedings. In June 2007, the District Court conducted a hearing on the plaintiffs' motion for class certification, and also that month the Court entered an order to stay all proceedings pending the Court's ruling on class certification. In October 2007, the Court granted the plaintiffs' motion and certified classes in the Chicago, New England, New York/New Jersey, Colorado and Southern California regional markets. In November 2007, the Court extended its stay of all proceedings pending further developments in the U.S. Court of Appeals for the Ninth Circuit. In February 2008, the Company filed with the District Court a Motion for Reconsideration of its October 2007 class certification order. A ruling by the District Court on the Company's Motion is pending. The Company intends to vigorously defend all claims in all of the actions.

### **UPS Consumer Class Action Litigation**

In October 2003, a purported representative action was filed in the Superior Court of California challenging Ticketmaster's charges to online customers for UPS ticket delivery and alleging that its failure to disclose on its website that the charges contain a profit component is unlawful. The complaint asserted a claim for violation of California's Unfair Competition Law ("UCL") and sought restitution or disgorgement of the difference between (i) the total UPS delivery fees charged by Ticketmaster in connection with online ticket sales during the applicable period, and (ii) the amount that Ticketmaster actually paid to UPS for delivery of those tickets. In August 2005, the plaintiff filed a first amended complaint, then pleading the case as a putative class action and adding the claim that Ticketmaster's website disclosures in respect of its ticket order-processing fees constitute false advertising in violation of California's False Advertising Law. On this new claim, the amended complaint seeks restitution or disgorgement of the entire amount of order-processing fees charged by Ticketmaster during the applicable period. In April 2009, the Court granted the plaintiff's motion for leave to file a second amended complaint adding new claims that (a) Ticketmaster's order processing fees are unconscionable under the UCL, and (b) Ticketmaster's alleged business practices further violate the California Consumer Legal Remedies Act. Plaintiff later filed a third amended complaint, to which Ticketmaster filed a demurrer in July 2009. The Court overruled Ticketmaster's demurrer in October 2009.

The plaintiff filed a class certification motion in August 2009, which Ticketmaster opposed. In February 2010, the Court granted certification of a class on the first two causes of action, which allege that Ticketmaster misrepresents/omits the fact of a profit component in its UPS and order processing fees. The class consists of California consumers who purchased tickets through Ticketmaster's website from 1999 to present. The Court denied certification of a class on the third and fourth causes of action, which allege that Ticketmaster's UPS and order processing fees are unconscionably high. In March 2010, Ticketmaster filed a Petition for Writ of Mandate with the California Court of Appeal, and plaintiffs also filed a motion for reconsideration of the Superior Court's class certification order. In April 2010, the Superior Court denied plaintiffs' Motion for Reconsideration of the Court's class certification order, and the Court of Appeal denied Ticketmaster's Petition for Writ of Mandate. In June 2010, Ticketmaster filed its Motion for Summary Judgment on all causes of action in the Superior Court. Later that month, the Court of Appeal granted the plaintiffs' Petition for Writ of Mandate and ordered the Superior Court to vacate its February 2010 order denying plaintiffs' motion to certify a national class and enter a new order certifying a nationwide class on the first two causes of action or show cause why a peremptory writ with that order should not issue. Later that month, the Court of Appeal granted the plaintiffs' Petition for Writ of Mandate and ordered the Superior Court to vacate its February 2010 order denying plaintiffs' motion to certify a national class and enter a new order granting plaintiffs' motion to certify a nationwide class on the first two claims, or show cause why the Court of Appeal should not direct the Superior Court to do so. The Company intends to vigorously defend the action.

### **Canadian Consumer Class Action Litigation Relating to TicketsNow**

In February 2009, five putative consumer class action complaints were filed in various provinces of Canada against TicketsNow, Ticketmaster, Ticketmaster Canada Ltd. and Premium Inventory, Inc. All of the cases allege essentially the same set of facts and causes of action. Each plaintiff purports to represent a class consisting of all persons who purchased a ticket from Ticketmaster, Ticketmaster Canada Ltd. or TicketsNow from February 2007 to present and alleges that Ticketmaster conspired to divert a large number of tickets for resale through the TicketsNow website at prices higher than face value. The plaintiffs characterize these actions as being in violation of Ontario's Ticket Speculation Act, the Amusement Act of Manitoba, the Amusement Act of Alberta or the Quebec Consumer Protection Act. The Ontario case contains the additional allegation

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that Ticketmaster and TicketsNow's service fees run afoul of anti-scalping laws. Each lawsuit seeks compensatory and punitive damages on behalf of the class. The Company intends to vigorously defend all claims in all of the actions.

### **United States Consumer Class Action Litigation Relating to TicketsNow**

From February through June 2009, eleven purported class action lawsuits asserting causes of action under various state consumer protection laws were filed against Ticketmaster and TicketsNow in U.S. District Courts in California, New Jersey, Minnesota, Pennsylvania and North Carolina. The lawsuits allege that Ticketmaster and TicketsNow unlawfully deceived consumers by, among other things, selling large quantities of tickets to TicketsNow's ticket brokers, either prior to or at the time that tickets for an event go on sale, thereby forcing consumers to purchase tickets at significantly marked-up prices on TicketsNow.com instead of Ticketmaster.com. The plaintiffs further claim violation of the consumer protection laws by Ticketmaster's alleged "redirecting" of consumers from Ticketmaster.com to Ticketsnow.com, thereby engaging in false advertising and an unfair business practice by deceiving consumers into inadvertently purchasing tickets from TicketsNow for amounts greater than face value. The plaintiffs claim that Ticketmaster has been unjustly enriched by this conduct and seek compensatory damages, a refund to every class member of the difference between tickets' face value and the amount paid to TicketsNow, an injunction preventing Ticketmaster from engaging in further unfair business practices with TicketsNow and attorney fees and costs. In July 2009, all of the cases were consolidated and transferred to the U.S. District Court for the Central District of California. The plaintiffs filed their consolidated class action complaint in September 2009, to which Ticketmaster filed its answer the following month. In July 2010, Ticketmaster filed its Motion for Summary Judgment. The Company intends to vigorously defend all claims in all of the actions.

### **Litigation Relating to the Merger of Live Nation and Ticketmaster**

Ticketmaster and its Board of Directors were named as defendants in a pair of lawsuits filed in February 2009 in the Superior Court of California challenging the merger of Live Nation and Ticketmaster. These actions were consolidated by court order in March 2009. The consolidated complaint, as amended, generally alleges that Ticketmaster and its directors breached their fiduciary duties by entering into the Merger Agreement without regard to the fairness of its terms to the Ticketmaster stockholders and in return for illicit payments of "surplus" Live Nation stock. It also alleges that the joint proxy statement/prospectus of Live Nation and Ticketmaster contained material omissions and misstatements. The plaintiffs moved for a preliminary injunction barring the completion of the Merger in December 2009, which motion was denied at a hearing held later that month. The Ticketmaster and Live Nation stockholders each approved the Merger in January 2010, and the Merger was consummated later that same month. The plaintiffs continue to prosecute the case, now seeking compensatory damages, attorneys' fees and expenses. The Ticketmaster defendants have answered the complaint, denying its allegations and asserting defenses. In April 2010, the parties reached a settlement which the Court approved in July 2010.

### **Other Litigation**

From time to time, the Company is involved in other legal proceedings arising in the ordinary course of its business, including proceedings and claims based upon violations of antitrust laws and tortious interference, which could cause the Company to incur significant expenses. The Company also has been the subject of personal injury and wrongful death claims relating to accidents at its venues in connection with its operations. As required, the Company accrued its estimate of the probable settlement or other losses for the resolution of any outstanding claims. These estimates have been developed in consultation with counsel and are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies. It is possible, however, that future results of operations for any particular period could be materially affected by changes in the Company's assumptions or the effectiveness of its strategies related to these proceedings. In addition, under the Company's agreements with Clear Channel, it has assumed and will indemnify Clear Channel for liabilities related to its business for which they are a party in the defense.

## **NOTE 9—RELATED-PARTY TRANSACTIONS**

### ***Transactions with Clear Channel***

The Company has one non-employee director as of June 30, 2010 that is also a director and executive officer of Clear Channel. From time to time, the Company purchases advertising from Clear Channel and its subsidiaries in the ordinary course of business. For the three months ended June 30, 2010 and 2009, the Company recorded \$1.0 million and \$1.8 million, respectively, and for the six months ended June 30, 2010 and 2009, the Company recorded \$1.7 million and \$3.3 million, respectively, as components of direct operating expenses and selling, general and administrative expenses for these advertisements.

### ***Transactions with IAC***

The Company has two non-employee directors as of June 30, 2010 that are also directors and executive officers of IAC.

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For purposes of governing certain of the ongoing relationships between IAC and Ticketmaster at and after the spin-off of the Spincos from IAC, and to provide for an orderly transition, IAC, Ticketmaster and the other Spincos entered into a separation agreement and a tax sharing agreement, among other agreements.

The tax sharing agreement governs the respective rights, responsibilities and obligations of IAC and Ticketmaster after the spin-off with respect to taxes for the periods ended on or before the spin-off. Generally, IAC agreed to pay taxes with respect to Ticketmaster's income included on its consolidated, unitary or combined federal or state tax returns, including audit adjustments with respect thereto, but other pre-distribution taxes that are attributable to Ticketmaster, including taxes reported on separately-filed returns and all foreign returns and audit adjustments with respect thereto were agreed to be borne solely by Ticketmaster. The tax sharing agreement contains certain customary restrictive covenants that generally prohibit Ticketmaster (absent a supplemental IRS ruling or an unqualified opinion of counsel to the contrary, in each case, in a form and substance satisfactory to IAC in its sole discretion) from taking actions that could jeopardize the tax free nature of the spin-off. Ticketmaster agreed to indemnify IAC for any taxes and related losses resulting from its non-compliance with these restrictive covenants, as well as for the breach of certain representations in the spin-off agreements and other documentation relating to the tax-free nature of the spin-off.

Ticketmaster currently occupies office space in a building in Los Angeles that is owned by IAC. Related rental expense charged to Ticketmaster by IAC for the Los Angeles office space totaled \$0.6 million and \$1.0 million for the three months ended June 30, 2010 and from the Merger date through June 30, 2010, respectively. These charges are recorded as components of selling, general and administrative expenses.

### ***Agreements with Liberty Media***

In connection with the Merger Agreement, in February 2009 the Company entered into a Stockholder Agreement with Liberty Media and Liberty USA Holdings, LLC (the "Liberty Stockholder Agreement") regarding certain corporate governance rights, designation rights and registration rights with respect to the Company's common stock to be received by Liberty Media in the Merger. The Liberty Stockholder Agreement became effective upon consummation of the Merger. Among other things, subject to certain restrictions and limitations set forth in the Liberty Stockholder Agreement, Liberty Media has exercised its right to nominate two directors to serve on the Company's board of directors. The Liberty Stockholder Agreement also contains provisions relating to limitations on the ownership of the Company's equity securities by Liberty Media and its affiliates following the Merger and on transfers of the Company's equity securities and rights and obligations under the Liberty Stockholder Agreement following the Merger.

### ***Transactions Involving Executives***

ATC, which is owned by Irving Azoff, our Executive Chairman and a director of the Company, owns both an aircraft and a fractional interest in a different aircraft. Executive Jet Management, an aircraft management and charter company unrelated to either the Company or ATC, manages and operates the fully-owned aircraft on ATC's behalf and charges the Company market rates for the use of the fully-owned aircraft when used by Mr. Azoff or other executives on company business, a portion of which is paid to ATC. In addition, ATC is reimbursed by the Company for expenses incurred from the use of its fractional interest when used by Mr. Azoff or other executives for company business. The Company made payments totaling approximately \$0.1 million and \$0.1 million for the three months ended June 30, 2010 and from the Merger date through June 30, 2010, respectively, to ATC and Executive Jet Management pursuant to the foregoing arrangements.

The Azoff Trust is a party to the Amended and Restated Stockholders' Agreement of Front Line (the "Front Line Stockholders' Agreement"). The Front Line Stockholders' Agreement governs certain matters related to Front Line and the ownership of securities of Front Line. Under the Front Line Stockholders' Agreement, the Azoff Trust has the right to designate two of the seven members of the Front Line board of directors, the Company has the right to designate four of the seven members of the Front Line board of directors and the other noncontrolling interest holder has the right to designate the remaining director. Under the Front Line Stockholders' Agreement, specified corporate transactions require the approval of both a majority of the directors designated by the Company and a majority of the directors designated by the Azoff Trust and the other noncontrolling interest holder. The Front Line Stockholders' Agreement contains certain restrictions on transfer of shares of stock of Front Line, as well as a right of first refusal to Front Line and then to other stockholders of Front Line in the event of certain proposed sales of Front Line stock by stockholders of Front Line and a tag-along right allowing the Azoff Trust to participate in certain sales of Front Line stock by certain stockholders of Front Line, as defined in the agreement.

In connection with Ticketmaster entering into the Merger Agreement, Ticketmaster entered into a letter agreement with Mr. Azoff, pursuant to which Ticketmaster agreed, upon consummation of the Merger, to amend the Front Line Stockholders' Agreement such that the Azoff Trust would have a put right that would allow the trust to sell 100% of its shares and stock options to Live Nation at fair value, at any time during the 60-day period following October 29, 2014. Upon consummation of the Merger, Ticketmaster amended the Stockholders' Agreement under the terms of the letter agreement with Mr. Azoff. Similarly, Live Nation has a call right, exercisable during the same period as the Azoff Trust's put right, to purchase all (but

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not less than all) of the trust's Front Line shares and stock options. The Front Line Stockholders' Agreement also provides that, as soon as reasonably practicable after the end of each fiscal year of Front Line, Front Line will pay an annual pro rata dividend to the stockholders consisting of all of Front Line's Excess Cash (as defined in the agreement).

In March 2010, the board of directors of Front Line declared a dividend in the amount of \$115.74844 per share of Front Line common stock payable in cash to the holders of record of Front Line common stock. This dividend totaled \$20.6 million and was paid in March 2010. The Azoff Trust received a pro rata portion of this dividend totaling \$3.0 million with respect to the 25,918,276 shares of Front Line common stock held by the trust. Mr. Azoff, pursuant to the terms of a restricted share grant agreement, also may be entitled to certain gross-up payments from Front Line associated with distributions made on the unvested portion of his restricted Front Line common shares for the difference between ordinary income and capital gains tax treatment. Such payments to Mr. Azoff were \$0.7 million related to the March 2010 Front Line dividend. The amount of the pro rata dividend paid to the Company was \$15.0 million. Prior to the payment of the dividend, FLMG made a loan to Front Line in the amount of \$21.3 million principally to fund the dividend, evidenced by a promissory note from Front Line to FLMG with a principal amount of \$21.3 million and bearing interest at a rate of 4.5%, payable no later than November 30, 2010.

### **Other Related Parties**

During the six months ended June 30, 2010 and 2009, the Company paid \$6.9 million and \$6.6 million, respectively, for deferred consideration due in connection with an acquisition of a company owned by various members of management of one of the Company's subsidiaries. The acquired company held the lease of a venue.

During the six months ended June 30, 2009, the Company received \$10.0 million as a deposit for the September 2009 sale of an interest in three venues to an entity partially owned by an employee of one of the Company's subsidiaries.

The Company conducts certain transactions in the ordinary course of business with companies that are owned, in part or in total, by various members of management of the Company's subsidiaries or companies over which the Company has significant influence. These transactions primarily relate to venue rentals, concession services, equipment rentals, ticketing, marketing and other services and reimbursement of certain costs. The following table sets forth expenses incurred and revenue earned from these companies for services rendered or provided in relation to these business ventures.

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	<i>(in thousands)</i>			
Other related parties revenue	\$ 58	\$ 220	\$ 421	\$ 1,080
Other related parties expenses	\$ 1,972	\$ 3,453	\$ 8,369	\$ 7,125

None of these transactions were with directors or executive officers of the Company.

### **NOTE 10—INCOME TAXES**

The Company customarily calculates interim effective tax rates in accordance with ASC topic 740, *Income Taxes* ("ASC 740"). As required by ASC 740, the Company applies the estimated annual effective tax rate to year-to-date pretax income (loss) at the end of each interim period to compute a year-to-date tax expense (or benefit). ASC 740 requires departure from customary effective tax rate computations when losses incurred within tax jurisdictions cannot be carried back and future profits associated with operations in those tax jurisdictions cannot be assured beyond any reasonable doubt. Accordingly, the Company has calculated an expected annual effective tax rate of approximately 20% (as compared to 27% in the prior year), excluding significant, unusual or extraordinary items, for ordinary income associated with operations, which are principally outside of the United States, for which the Company currently expects to have annual taxable income. The significant decrease in the expected annual effective tax rate is driven by the change in composition of earnings in lower-taxed foreign jurisdictions, primarily driven by the acquisition of Ticketmaster. The effective tax rate has been applied to year-to-date earnings for those operations for which the Company currently expects to have taxable income. The Company has not recorded tax benefits associated with losses from operations for which future taxable income cannot be reasonably assured. As required by ASC 740, the Company also includes tax effects of significant, unusual or extraordinary items in income tax expense in the interim period in which they occur.

The net income tax expense from continuing operations is \$11.3 million and the net income tax benefit from continuing operations is \$4.0 million for the three and six months ended June 30, 2010, respectively. The components of tax expense that contributed to the net income tax benefit for the six months ended June 30, 2010 included state and local taxes of \$2.6 million, tax reserve accruals and settlements of uncertain tax positions of (\$0.1) million, income tax expense based on the expected annual rate pertaining to income for the six month period ending on June 30, 2010 of \$2.0 million

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, withholding taxes of \$1.8 million, federal tax benefit of (\$1.7) million attributable to the carryback of net operating losses and other discrete items of (\$8.6) million. Other discrete items include (\$6.1) million of reversals of valuation allowances recorded against U.S. federal and state deferred tax assets driven by deferred tax attributes attributable to the acquisition of Ticketmaster, (\$1.6) million related to impairment charges and other items of (\$0.9) million.

As of June 30, 2010 and December 31, 2009, the Company had unrecognized tax benefits of approximately \$9.6 million and \$4.1 million, respectively. During the six months ended June 30, 2010, the unrecognized tax benefits increased by approximately \$5.6 million for acquired unrecognized tax benefits of Ticketmaster and decreased by approximately \$0.1 million for tax reserve accruals and settlements of uncertain tax positions. If unrecognized tax benefits as of June 30, 2010 are subsequently recognized, approximately \$9.1 million, net of related deferred tax assets and interest, would reduce the income tax provision from continuing operations.

The Company has U.S. federal net operating loss carry forwards that, if not used, will expire between calendar years 2010 and 2029. The amount of U.S. net operating loss carryforwards that will expire if not utilized in 2010 is \$4.3 million. The Company's federal net operating loss carry forwards are subject to statutory limitations on the amount that can be utilized in any given year.

Historically, the Company has reinvested all foreign earnings in its foreign operations. The Company currently believes all undistributed foreign earnings will be indefinitely reinvested in its foreign operations.

The Company recognizes a tax benefit associated with an uncertain tax position when the position is more likely than not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company recognizes interest and penalties related to uncertain tax positions in income tax expense.

The tax years 2002 through 2009 remain open to examination by the major tax jurisdictions to which the Company is subject.

## **NOTE 11—STOCKHOLDERS' EQUITY**

### ***Common Stock***

Subsequent to the Merger, each issued and outstanding share of Ticketmaster common stock was exchanged for the right to receive 1.4743728 shares of common stock of Live Nation plus cash in lieu of any fractional shares. The Merger resulted in the issuance of 84.6 million shares of common stock.

### ***Redeemable Noncontrolling Interests***

The Company acquired fair value put arrangements with respect to the common securities that represent the noncontrolling interests of certain non wholly-owned Ticketmaster subsidiaries. These put arrangements are exercisable at fair value by the counterparty outside of the control of the Company and are classified as mezzanine equity. Accordingly, to the extent the fair value of these redeemable interests exceeds the value determined by normal noncontrolling interests accounting, the value of such interests is adjusted to fair value with a corresponding adjustment to additional paid-in capital. In accordance with ASC 805, the redeemable noncontrolling interests were recorded at their fair value as of the consummation of the Merger on January 25, 2010. The currently redeemable put arrangements held by the noncontrolling interests of certain subsidiaries of Ticketmaster had an estimated redemption fair value of \$2.4 million as of June 30, 2010.

Upon consummation of the Merger, all of the 27,821 shares of Front Line common stock held by noncontrolling interests include put arrangements that are not currently redeemable as of June 30, 2010. These shares had an estimated fair value as of the Merger date of \$69.4 million. As of June 30, 2010, 17,279 shares are redeemable on October 29, 2011 and 10,542 shares are redeemable on October 29, 2014; these shares had estimated redemption fair values of \$43.1 million and \$26.3 million, respectively, as of June 30, 2010. The carrying value of the Front Line common shares with put arrangements was \$69.4 million as of June 30, 2010.

Additionally, Mr. Azoff and the Azoff Trust hold options and shares of restricted Front Line common stock that are redeemable on October 29, 2014, subject to vesting. The options and restricted Front Line common stock had a total estimated redemption fair value of \$40.6 million as of June 30, 2010. From the Merger date through June 30, 2010, the Company accreted \$2.5 million of the change from book value to the redemption fair value using the interest method. The carrying value of the options and restricted stock, including the recorded accretion, was \$20.7 million as of June 30, 2010.

The common stock of two subsidiaries of Front Line held by noncontrolling interests also includes put arrangements. The first put arrangement does not have a determinable redemption date, but is considered to be currently redeemable based on the terms of redemption. The stock held by the noncontrolling interest had an estimated redemption value of \$16.0 million as of



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June 30, 2010. The second put arrangement, redeemable on August 23, 2012, had an estimated redemption fair value of \$11.5 million as of June 30, 2010. The carrying value for these interests was \$27.5 million as of June 30, 2010.

### *Noncontrolling Interests*

The following table shows the reconciliation of the carrying amount of total stockholders' equity, stockholders' equity attributable to Live Nation Entertainment, Inc. and stockholders' equity attributable to noncontrolling interests:

	<u>Redeemable Noncontrolling Interests</u>	<u>Live Nation Entertainment, Inc. Stockholders' Equity</u>	<u>Noncontrolling Interests</u>	<u>Comprehensive Income (Loss)</u>	<u>Total Stockholders' Equity</u>
	<i>(in thousands)</i>		<i>(in thousands)</i>		
<b>Balances at December 31, 2009</b>	\$ -	\$ 652,317	\$ 73,124	\$ -	\$ 725,441
Non-cash compensation	20	31,811	-	-	31,811
Common shares issued for business acquisitions	-	921,490	-	-	921,490
Exercise of stock options	-	4,254	-	-	4,254
Acquisitions	117,702	-	27,306	-	27,306
Fair value of redeemable noncontrolling interests adjustments	9,712	(9,712)	-	-	(9,712)
Cash dividends	(5,050)	-	(3,148)	-	(3,148)
Other	-	-	4	-	4
Comprehensive income (loss):					
Net income (loss)	(2,177)	(146,571)	3,007	(143,564)	(143,564)
Realized loss on cash flow hedges	-	6,974	-	6,974	6,974
Unrealized loss on cash flow hedges	-	(225)	-	(225)	(225)
Currency translation adjustment	-	(71,826)	-	(71,826)	(71,826)
Total comprehensive loss	-	-	-	\$ (208,641)	(208,641)
<b>Balances at June 30, 2010</b>	<u>\$ 120,207</u>	<u>\$ 1,388,512</u>	<u>\$ 100,293</u>	<u>\$ -</u>	<u>\$1,488,805</u>

For certain non-wholly-owned subsidiaries of Front Line, the common securities held by the noncontrolling interests do not include put arrangements exercisable outside of the control of the Company. The noncontrolling interests that do not include such put arrangements are recorded in equity, separate from the Company's own equity. In accordance with ASC 805, the noncontrolling interests were recorded at their fair value as of the consummation of the Merger.

### *Earnings per Share*

The Company computes net income per common share in accordance with ASC topic 260, *Earnings per Share*. Under the provisions of ASC topic 260, basic net income per common share is computed by dividing the net income applicable to common shares by the weighted average number of common shares outstanding during the period. Diluted net income per common share adjusts basic net income per common share for the effects of stock options, restricted stock and other potentially dilutive financial instruments only in the periods in which such effect is dilutive. The Company's \$220 million of 2.875% convertible notes are considered in the calculation of diluted net income per common share, if dilutive.

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The following table sets forth the computation of basic and diluted net income (loss) per common share:

	<u>Three Months Ended</u> <u>June 30,</u>		<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	<i>(in thousands, except for per share data)</i>			
Net loss attributable to Live Nation Entertainment, Inc.	\$ (34,618)	\$(27,198)	\$(146,571)	\$(129,905)
Less income (loss) from discontinued operations, net of tax	377	(3,498)	680	(6,462)
Net loss from continuing operations available to common stockholders—basic	(34,241)	(30,696)	(145,891)	(136,367)
Effect of dilutive securities:				
2.875% convertible senior notes	-	-	-	-
Net loss from continuing operations available to common stockholder—diluted	\$ (34,241)	\$(30,696)	\$(145,891)	\$(136,367)
Weighted average common shares—basic	170,008	83,612	158,220	81,618
Effect of dilutive securities:				
Stock options, restricted stock and warrants	-	-	-	-
2.875% convertible senior notes	-	-	-	-
Weighted average common shares—diluted	170,008	83,612	158,220	81,618
Basic and diluted net loss from continuing operations per common share	\$ (0.20)	\$ (0.37)	\$ (0.92)	\$ (1.67)

The calculation of diluted net loss per common share includes the effects of the assumed exercise of any outstanding stock options and warrants, the assumed vesting of shares of restricted stock and the assumed conversion of the 2.875% convertible senior notes where dilutive. The following table shows all potentially dilutive securities excluded from the calculation of diluted net loss per common share because such securities are anti-dilutive:

	<u>Three Months Ended</u> <u>June 30,</u>		<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	<i>(in thousands)</i>			
Options to purchase shares of common stock	22,340	7,153	22,340	7,153
Restricted stock awards and units—unvested	4,401	953	4,401	953
Warrants	500	500	500	500
Conversion shares related to 2.875% convertible senior notes	8,105	8,105	8,105	8,105
Number of anti-dilutive potentially issuable shares excluded from diluted common shares outstanding	35,346	16,711	35,346	16,711

## **NOTE 12—STOCK-BASED COMPENSATION**

The following is a summary of the non-cash portion of stock-based compensation expense recorded by the Company during the respective periods:

	<u>Three Months Ended</u> <u>June 30,</u>		<u>Six Months Ended</u> <u>June 30,</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
	<i>(in thousands)</i>			
Selling, general and administrative expenses	\$ 6,515	\$ 1,154	\$ 15,513	\$ 2,285
Corporate expenses	3,862	1,956	16,973	4,464
Total non-cash compensation expense from continuing operations	\$10,377	\$ 3,110	\$32,486	\$ 6,749

In June 2010, the Company granted 0.3 million shares of restricted stock and 2.5 million stock options to certain employees under the Company's stock incentive plans. In January 2010, the Company granted 2.8 million shares of restricted stock to certain employees subsequent to the Merger date, of which 0.2 million were performance-based awards and 0.4 million will begin to vest based on achieving a specified stock price. These awards will all vest over four years with the exception of the performance-based awards which will vest within two years if the performance criteria are met. Also in January 2010, the Company registered an additional 4.9 million shares to service the Live Nation stock incentive plan, 1.5 million shares to service the Live Nation stock bonus plan and 16.7 million shares to service the Ticketmaster stock and annual incentive plan.

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Upon the Merger, the Company issued replacement awards to Mr. Azoff of 1.5 million shares of restricted Live Nation common stock with a guaranteed minimum value of \$15.0 million when the awards cliff vest in 2013. Stock-based compensation of \$0.9 million and \$1.4 million related to the restricted Live Nation common stock was recorded for the three months ended June 30, 2010 and from the Merger date until June 30, 2010, respectively, as a component of corporate expenses.

As part of the Merger Agreement, all Ticketmaster stock options, restricted stock awards and restricted stock units that were outstanding immediately before the Merger were exchanged for Live Nation stock options, restricted stock awards and restricted stock units. The Live Nation awards have the same vesting periods, terms and conditions as the previous Ticketmaster awards, with the exception of the Live Nation restricted stock award held by the Azoff Trust which now has a guaranteed minimum value of \$15.0 million at the end of the vesting term described above. In connection with the Merger, outstanding awards held by employees and directors of Ticketmaster were exchanged based on the final exchange ratio of 1.4743728 for 13.0 million stock options, 1.5 million shares of restricted stock (as described above) and 0.9 million restricted stock units. Outstanding awards held by employees of Spincos other than Ticketmaster were exchanged for 2.5 million stock options and 0.2 million restricted stock units. The stock-based awards issued by Front Line were not exchanged or modified as a result of the Merger. As discussed in Note 3—Business Acquisitions, the value of these awards which related to services already rendered as of the date of the Merger was included as part of the consideration transferred.

As part of the Merger, a note was issued to the Azoff Trust replacing the Azoff Trust's shares of Ticketmaster's series A convertible redeemable preferred stock (the "Preferred Stock") that were issued when Ticketmaster obtained a controlling interest in Front Line. The note accrues interest equal to 3.00% of the outstanding principal balance. Subject to Mr. Azoff's continued employment with the Company as a senior executive officer or as a senior executive with Front Line, the note vests on the first day of each month commencing on February 1, 2010 through and including October 1, 2013 (each such date, a "Vesting Date"). With the exception of the first installment of \$1.7 million paid in February 2010, the note is payable in equal monthly installments of \$0.8 million due on each of the remaining Vesting Dates. In the event of a termination of Mr. Azoff's employment with the Company without cause or for good reason or due to death or disability, the note immediately will vest and the balance of the note will be due and paid in a cash lump sum. Upon any other termination of Mr. Azoff's employment, the Azoff Trust will forfeit the balance of the note. For the three months ended June 30, 2010 and from the date of the Merger through June 30, 2010, the Company recorded \$1.6 million and \$2.7 million, respectively, related to these payments as a component of selling, general and administrative expenses.

The Company accounts for the note in accordance with the guidance for stock-based compensation as the issuance of the note is considered a modification of the Preferred Stock previously granted to the Azoff Trust, which had been accounted for as a share-based award. Because the Preferred Stock was exchanged for the note in connection with the Merger, in accordance with the guidance for business combinations, the Company recorded the initial carrying value of the note as \$14.4 million in other current and other long-term liabilities. This amount is equal to the fair value of the note of \$34.6 million, as determined by the Company, multiplied by the ratio of the pre-combination service period to the total service period. The Company will recognize a total of \$24.0 million of stock-based compensation expense, which is the difference between the total cash payments due under the note of \$38.4 million and the initial carrying value of \$14.4 million, on a straight-line basis over the remaining service period ending October 1, 2013.

In the first six months of 2010, the Company accelerated the vesting of 1.2 million shares of unvested outstanding share-based equity awards granted to certain employees of Ticketmaster effective upon termination, all of which had been converted to Live Nation equity awards in the Merger. The Company also accelerated 1.1 million shares of unvested outstanding share-based equity awards as a result of the Merger based on employment contract "change of control" provisions for certain employees. As a result of these accelerations, the Company recognized \$1.1 million and \$14.7 million of stock-based compensation expense for the three and six months ended June 30, 2010, respectively. Of this amount, zero and \$8.3 million was recorded in corporate expenses for the three and six months ended June 30, 2010, respectively, and \$1.1 million and \$6.4 million was recorded in selling, general and administrative expenses for the three and six months ended June 30, 2010, respectively.

### **NOTE 13—SEGMENT DATA**

As a result of the Merger, the Company reorganized its business units and the way in which these businesses are assessed and therefore changed its reportable segments to Concerts, Artist Nation, Ticketing, Sponsorship and eCommerce.

The Concerts segment involves the promotion of live music events globally in the Company's owned and/or operated venues and in rented third-party venues, the production of music festivals and the operation and management of music venues. The Artist Nation segment provides management services to artists and other services including merchandise, artist fan sites and VIP tickets. The Ticketing segment principally involves the management of the Company's ticketing operations including providing ticketing software and services to clients. The Sponsorship segment manages the development of strategic sponsorship programs in addition to the sale of national and local sponsorships and placement of advertising including signage

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and promotional programs. The eCommerce segment provides online access for customers relating to ticket and event information and is responsible for the Company's primary websites, *www.livenation.com* and *www.ticketmaster.com*. The Company's U.K. theatrical business was sold in October 2009. It was previously included in other operations and is now reported as discontinued operations.

The Company has reclassified all periods presented to conform to the current period presentation. Revenue and expenses earned and charged between segments are eliminated in consolidation. Corporate expenses and all line items below operating income (loss) are managed on a total company basis.

The Company manages its working capital on a consolidated basis. Accordingly, segment assets are not reported to, or used by, the Company's management to allocate resources to or assess performance of the segments, and therefore, total segment assets have not been disclosed.



Capital expenditures

\$ 17,952 \$ 359 \$ 3,814 \$ 75 \$ 1,394 \$ 597 \$ 446 \$ - \$ 24,637

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

*“Live Nation” (which may be referred to as the “Company”, “we”, “us” or “our”) means Live Nation Entertainment, Inc. and its subsidiaries, or one of our segments or subsidiaries, as the context requires. You should read the following discussion of our financial condition and results of operations together with the unaudited consolidated financial statements and notes to the financial statements included elsewhere in this quarterly report.*

#### **Special Note About Forward-Looking Statements**

Certain statements contained in this quarterly report (or otherwise made by us or on our behalf from time to time in other reports, filings with the SEC, news releases, conferences, internet postings or otherwise) that are not statements of historical fact constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended, notwithstanding that such statements are not specifically identified. Forward-looking statements include, but are not limited to, statements about our financial position, business strategy, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition, the effects of future legislation or regulations and plans and objectives of our management for future operations. We have based our forward-looking statements on our beliefs and assumptions based on information available to us at the time the statements are made. Use of the words “may,” “should,” “continue,” “plan,” “potential,” “anticipate,” “believe,” “estimate,” “expect,” “intend,” “outlook,” “could,” “target,” “project,” “seek,” “predict,” or variations of such words and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from those in such statements. Factors that could cause actual results to differ from those discussed in the forward-looking statements include, but are not limited to, those set forth below under Item 1A.—Risk Factors, as well as other factors described herein or in our annual, quarterly and other reports we file with the SEC (collectively, cautionary statements). Based upon changing conditions, should any one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those described in any forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the applicable cautionary statements. We do not intend to update these forward-looking statements, except as required by applicable law.

#### **Executive Overview**

In January 2010, we completed our merger with Ticketmaster which we believe will allow the combined company to capitalize on strategic advantages and other opportunities created by combining a global concert business, global ticketing operations and a leading artist management company, including lowering costs and developing new distribution platforms and new revenue streams (through sponsorships and increased sales and distribution opportunities, among others). The Merger has produced a combined company that we believe is well-positioned to address the challenges of better serving artists and fans through improved ticketing options.

For the Concerts segment, we began the busier part of our year in the second quarter, as our festivals and amphitheater shows have begun and will continue primarily through the third quarter. During the second quarter, we have seen signs that the concert industry is experiencing an overall decline in the volume of ticket sales. Our total events that occurred in the second quarter were 5,553, down slightly by 2.7% compared to the same period of last year. Our total attendance in the second quarter of 2010 was 12.4 million which is 5.7% less than the same period of last year. These declines compare to an overall industry ticket sale decline of 12% for the top 100 touring acts in the first half of 2010, according to *Pollstar*. Partially offsetting these declines, however, are increased amounts of spending per attendee as demonstrated in the increase in amphitheater ancillary revenue per attendee during the quarter and first half of the year.

Our Ticketing segment has seen similar declines in overall ticket sales, primarily in concert tickets, compared to prior-year sales by Ticketmaster, as our Ticketing clients are experiencing declines similar to those of the overall industry. Our Sponsorship segment has continued to show growth for the first half of the year—increasing both total revenue recognized and average sponsorship per client—with fairly consistent results in Sponsorship for the second quarter compared to 2009.

Throughout the second quarter, we have continued to focus on integrating the two companies and have now completed the majority of our anticipated staffing reductions. Despite the current challenges of the decline in ticket sales, we remain focused on driving our model, which includes four main levers of the business surrounding the concert—ticketing/ecommerce, artist management, sponsorship and onsite ancillary spend—and we are focused on expanding these levers in key markets where we currently do not have all four elements of the model. Our strategy also includes growing our database in order to drive increased ticket sales and sponsorship growth, selling more tickets through effective marketing and pricing and redefining the growth potential in our ticketing business.

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### **Our History**

We were incorporated in Delaware on August 2, 2005 in preparation for the spin-off of substantially all of Clear Channel's entertainment assets and liabilities. The Separation was completed on December 21, 2005, at which point we became a publicly traded company on the New York Stock Exchange trading under the symbol "LYV".

### **Our Merger with Ticketmaster**

On January 25, 2010, we and Ticketmaster completed our Merger following the receipt of regulatory clearances from the DOJ and the Canadian Bureau of Competition (having previously received clearance from all other government authorities required under the Merger Agreement), and the approval of Live Nation and Ticketmaster stockholders. As part of the Merger, Ticketmaster stockholders received 1.4743728 shares of Live Nation common stock for each share of Ticketmaster common stock they owned. Effective on the date of the Merger, Ticketmaster became a wholly-owned subsidiary of Live Nation named Ticketmaster Entertainment LLC and Live Nation, Inc. changed its name to Live Nation Entertainment, Inc.; subsequently, in connection with certain financing transactions completed on May 6, 2010, Ticketmaster was merged into the Company and the separate corporate existence of Ticketmaster ceased.

Under the terms of the agreement reached with the DOJ, we agreed to divest our ticketing subsidiary, Paciolan, and to license the Ticketmaster Host technology to Anschutz Entertainment Group, Inc., in addition to other terms intended to protect competitive conditions in ticketing and promotions. In March 2010, the Company entered into an agreement with Comcast whereby Comcast purchased 100% of the issued and outstanding shares of common stock of Paciolan.

### **Segment Overview**

In 2009, our reportable operating segments were North American Music, International Music and Ticketing. In 2010, subsequent to the Merger, we reorganized our business units and the way in which these businesses are assessed and therefore changed our reportable segments to Concerts, Artist Nation, Ticketing, Sponsorship and eCommerce. Our businesses formerly reported as North American Music and International Music are now allocated primarily to the Concerts segment with a portion allocated to our Sponsorship segment. The Artist Nation segment is primarily made up of Ticketmaster's artist management business and our artist services business which was previously reported as a component of the North American Music segment. Our remaining business formerly reported as Ticketing remains in the Ticketing segment in 2010 with the exception of the allocation to our eCommerce segment of a fee per ticket for every ticket sold online along with online advertising. These changes have been made to be consistent with the way we are now managing the business after our merger with Ticketmaster.

The segment results for all periods presented have been reclassified to conform to the current year presentation.

#### ***Concerts***

Our Concerts segment principally involves the global promotion of live music events in our owned and/or operated venues and in rented third-party venues, the operation and management of music venues and the production of music festivals across the world. While our Concerts segment operates year-round, we experience higher revenue during the second and third quarters due to the seasonal nature of shows at our outdoor amphitheaters and festivals, which primarily occur May through September.

To judge the health of our Concerts segment, we primarily monitor the number of confirmed events in our network of owned and/or operated and third-party venues, talent fees, average paid attendance, total revenue per fan and advance ticket sales. In addition, at our owned and/or operated venues, we monitor attendance, ancillary revenue per fan and premium seat sales. For business that is conducted in foreign markets, we look at the operating results from our foreign operations on a constant dollar basis.

#### ***Artist Nation***

The Artist Nation segment primarily provides management services to music recording artists in exchange for a commission on the earnings of these artists. Our Artist Nation segment also sells merchandise associated with musical artists at live musical performances, to retailers, and directly to consumers via the internet and also provides other services to artists. Revenue earned from our Artist Nation segment is impacted to a large degree by the touring schedules of the artists we represent. Generally, we experience higher revenue during the second and third quarters as the period from May through September tends to be a popular time for touring events.

To judge the health of our Artist Nation segment, we primarily review the average annual earnings of each artist represented, commissions earned by individual managers, planned album releases and future touring schedules.



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### ***Ticketing***

The Ticketing segment is primarily an agency business that sells tickets for events on behalf of our clients and retains a convenience charge and order processing fee for our services. We sell tickets through a combination of websites, telephone services and ticket outlets. Our ticketing sales are impacted by fluctuations in the availability of events for sale to the public, which may vary depending upon scheduling by our clients. Generally, the first and second quarters of the year experience the highest domestic ticketing revenue, earned primarily in the concerts and sports categories. Generally international ticketing revenue is highest in the fourth quarter of the year, earned primarily in the concerts category.

To judge the health of our Ticketing segment, we primarily review the number of tickets sold through our ticketing operations, the percentage of visitors to our websites that buy tickets, the number of clients and the average royalty rate paid to clients who use our ticketing services.

### ***Sponsorship***

Our Sponsorship segment employs a sales force that creates and maintains relationships with sponsors, through a combination of strategic, international, national and local opportunities for corporations to reach customers through our concert, venue, artist relationship and ticketing assets.

To judge the health of our Sponsorship segment, we primarily review the number of sponsors, the average revenue per sponsor and the total revenue generated through sponsorship arrangements.

### ***eCommerce***

Our eCommerce segment manages our online, or eCommerce, activities including enhancements to our websites, execution of paperless tickets, bundling product offerings and online advertising at our websites. Through our websites, we sell tickets to our own events as well as tickets for our ticketing services clients and disseminate event and related merchandise information online. This segment records a fee per ticket that is paid to it by the Ticketing segment on every ticket sold online via *www.ticketmaster.com* in the United States and Canada.

To judge the health of our eCommerce segment, we primarily review the number of unique visitors to our websites, the overall number of customers in our database and the online revenue received from sponsors advertising on our websites.

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**Consolidated Results of Operations**

	<u>Three Months Ended June 30,</u>		<u>% Change</u>	<u>Six Months Ended June 30,</u>		<u>% Change</u>
	<u>2010</u>	<u>2009</u>		<u>2010</u>	<u>2009</u>	
	<i>(in thousands)</i>			<i>(in thousands)</i>		
Revenue	\$1,266,598	\$1,047,216	21%	\$1,989,551	\$1,532,128	30%
Operating expenses:						
Direct operating expenses	897,004	838,731	7%	1,382,157	1,211,791	14%
Selling, general and administrative expenses	252,372	154,606	63%	483,643	295,508	64%
Depreciation and amortization	62,957	35,503	77%	122,276	77,586	58%
Loss (gain) on sale of operating assets	(637)	(718)	*	3,934	(982)	*
Corporate expenses	21,882	12,352	77%	59,006	25,884	*
Acquisition transaction expenses	6,394	14,877	(57)%	15,411	18,735	(18)%
Operating income (loss)	26,626	(8,135)	*	(76,876)	(96,394)	(20)%
Operating margin	2.1%	(0.8)%		(3.9)%	(6.3)%	
Interest expense	29,854	15,864		56,359	33,119	
Loss on extinguishment of debt	21,172	-		21,172	-	
Interest income	(769)	(576)		(1,443)	(1,566)	
Equity in earnings of nonconsolidated affiliates	(1,708)	(633)		(2,255)	(816)	
Other expense (income)—net	(565)	(1,087)		(1,633)	607	
Loss from continuing operations before income taxes	(21,358)	(21,703)		(149,076)	(127,738)	
Income tax expense (benefit):						
Current	5,682	9,177		3,840	10,876	
Deferred	5,633	(574)		(7,855)	(2,187)	
Loss from continuing operations	(32,673)	(30,306)		(145,061)	(136,427)	
Income (loss) from discontinued operations, net of tax	(377)	3,498		(680)	6,462	
Net loss	(33,050)	(26,808)		(145,741)	(129,965)	
Net income (loss) attributable to noncontrolling interests	1,568	390		830	(60)	
Net loss attributable to Live Nation Entertainment, Inc.	<u>\$ (34,618)</u>	<u>\$ (27,198)</u>		<u>\$ (146,571)</u>	<u>\$ (129,905)</u>	

Note: Non-cash compensation expense of \$3.9 million and \$1.9 million is included in corporate expenses and \$6.5 million and \$1.5 million is included in selling, general and administrative expenses for the three months ended June 30, 2010 and 2009, respectively. Non-cash compensation expense of \$17.0 million and \$3.8 million is included in corporate expenses and \$15.8 million and \$2.7 million is included in selling, general and administrative expenses for the six months ended June 30, 2010 and 2009, respectively. No non-cash compensation expense is included in discontinued operations for the three months ended June 30, 2010 and 2009 and the six months ended June 30, 2010 and 2009.

\* Percentages are not meaningful.

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**Key Operating Metrics**

	Three Months Ended June 30,		Six Months Ended June 30,					
	2010	2009	2010	2009				
<b>Concerts</b>								
Estimated Events:								
Owned and/or operated amphitheaters	213	228	218	248				
All other promotions								
North America	1,978	2,133	3,731	3,925				
International	1,117	1,264	1,930	2,120				
Third-party rentals at our owned and/or operated venues								
North America	1,483	1,333	2,774	2,445				
International	762	749	1,511	1,420				
Total estimated events	<u>5,553</u>	<u>5,707</u>	<u>10,164</u>	<u>10,158</u>				
Estimated Attendance (rounded) :								
Owned and/or operated amphitheaters	2,432,000	2,709,000	2,459,000	2,784,000				
All other promotions								
North America	4,675,000	5,107,000	8,286,000	8,657,000				
International	3,455,000	3,333,000	5,096,000	5,375,000				
Third-party rentals at our owned and/or operated venues								
North America	809,000	849,000	1,288,000	1,316,000				
International	1,002,000	1,125,000	2,210,000	2,045,000				
Total estimated attendance	<u>12,373,000</u>	<u>13,123,000</u>	<u>19,339,000</u>	<u>20,177,000</u>				
Ancillary revenue per attendee—								
amphitheaters only	\$ 18.59	\$ 18.46	\$ 18.55	\$ 18.35				
Total Concerts revenue per attendee	\$ 69.47	\$ 70.47	\$ 65.55	\$ 66.31				
<b>Sponsorship</b>								
Estimated number of sponsors (as of period end)	556	582	556	582				
Sponsorship revenue recognized (in thousands)	\$ 38,825	\$ 39,562	\$ 60,062	\$ 58,782				
Estimated average sponsorship dollars per sponsor (rounded)	\$ 70,000	\$ 68,000	\$ 108,000	\$ 101,000				
<b>Ticketing (in thousands)</b>								
Number of tickets sold:								
Concerts	16,006	54%	2,697	100%	28,248	53%	3,721	100%
Sports	5,882	20%	-	-	10,687	20%	-	-
Arts & theater	4,444	15%	-	-	8,048	15%	-	-
Family	2,056	7%	-	-	4,840	9%	-	-
Other	1,223	4%	-	-	1,792	3%	-	-
	<u>29,611</u>	100%	<u>2,697</u>	100%	<u>53,615</u>	100%	<u>3,721</u>	100%
Gross value of tickets sold:								
Concerts	\$ 1,081,300	\$ 157,471	\$ 1,905,321	\$ 226,818				
Sports	311,138	-	539,191	-				
Arts & theater	284,426	-	529,020	-				
Family	81,701	-	184,916	-				
Other	50,857	-	66,148	-				
	<u>\$ 1,809,422</u>	<u>\$ 157,471</u>	<u>\$ 3,224,596</u>	<u>\$ 226,818</u>				

Note: Events generally represent a single performance by an artist for both promotions and third-party rentals. Attendance generally represents the number of fans who were present at an event. Festivals are counted as one event in the quarter in which the festival begins but attendance is split over the days of the festival and can be split between quarters. The metrics reported are estimated each quarter. Adjustments to previously reported quarters, if any, are only included in the year-to-date events and attendance metrics. Promotions listed above include events in our owned and/or operated venues as well as events we promote in third-party venues. Excluded from the table above are events and attendance that occurred in our United Kingdom theatrical business that was sold in October 2009.

The number and gross value of tickets sold are inclusive of primary and secondary tickets.

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### **Revenue**

Our revenue increased \$219.4 million, or 21%, during the three months ended June 30, 2010 as compared to the same period of the prior year. Excluding the decreases of approximately \$15.0 million related to the impact of changes in foreign exchange rates, revenue increased \$234.4 million, or 22%. Overall increases in revenue were primarily due to increases in our Ticketing and Artist Nation segments of \$247.0 million and \$27.1 million, respectively, partially offset by a decrease in our Concerts segment of \$65.3 million. These overall increases are primarily driven by the incorporation of the Ticketmaster results after the completion of the Merger.

Our revenue increased \$457.4 million, or 30%, during the six months ended June 30, 2010 as compared to the same period of the prior year. Excluding the increases of approximately \$3.1 million related to the impact of changes in foreign exchange rates, revenue increased \$454.3 million, or 30%. Overall increases in revenue were primarily due to an increase in our Ticketing and Artist Nation segments of \$447.0 million and \$54.8 million, respectively, partially offset by a decrease in our Concerts segment of \$70.3 million. These overall increases are primarily driven by the incorporation of the Ticketmaster results after the completion of the Merger.

More detailed explanations of these changes are included in the applicable segment discussions below.

### **Direct operating expenses**

Our direct operating expenses increased \$58.3 million, or 7%, during the three months ended June 30, 2010 as compared to the same period of the prior year. Excluding the decreases of approximately \$12.5 million related to the impact of changes in foreign exchange rates, direct operating expenses increased \$70.8 million, or 8%. Overall increases in direct operating expenses were primarily due to an increase in our Ticketing segment of \$122.9 million partially offset by a decrease in our Concerts segment of \$67.4 million. These overall increases are primarily driven by the incorporation of the Ticketmaster results after the completion of the Merger.

Our direct operating expenses increased \$170.4 million, or 14%, during the six months ended June 30, 2010 as compared to the same period of the prior year. Excluding the increases of approximately \$1.5 million related to the impact of changes in foreign exchange rates, direct operating expenses increased \$168.9 million, or 14%. Overall increases in direct operating expenses were primarily due to increases in our Ticketing and Artist Nation segments of \$221.0 million and \$22.2 million, respectively, partially offset by a decrease in our Concerts segment of \$68.4 million. These overall increases are primarily driven by the incorporation of the Ticketmaster results after the completion of the Merger.

Direct operating expenses include artist fees, ticketing client royalties, show-related marketing and advertising expenses along with other costs.

More detailed explanations of these changes are included in the applicable segment discussions below.

### **Selling, general and administrative expenses**

Our selling, general and administrative expenses increased \$97.8 million, or 63%, during the three months ended June 30, 2010 as compared to the same period of the prior year. Excluding the decreases of approximately \$1.3 million related to the impact of changes in foreign exchange rates, selling, general and administrative expenses increased \$99.1 million, or 64%. Overall increases in selling, general and administrative expenses were primarily due to increases in our Ticketing and Artist Nation segments of \$68.8 million and \$16.1 million, respectively. These overall increases are primarily driven by the incorporation of the Ticketmaster results after the completion of the Merger.

Our selling, general and administrative expenses increased \$188.1 million, or 64%, during the six months ended June 30, 2010 as compared to the same period of the prior year. Excluding the increases of approximately \$2.5 million related to the impact of changes in foreign exchange rates, selling, general and administrative expenses increased \$185.6 million, or 63%. Overall increases in selling, general and administrative expenses were primarily due to increases in our Ticketing, Artist Nation and Concerts segments of \$131.2 million, \$26.6 million and \$16.3 million, respectively. These overall increases are primarily driven by the incorporation of the Ticketmaster results after the completion of the Merger.

Selling, general and administrative expenses for the three and six months ended June 30, 2010 include \$4.0 million and \$8.4 million of severance cost associated with the reorganization of our business units subsequent to the Merger, primarily in the Ticketing segment.

More detailed explanations of these changes are included in the applicable segment discussions below.

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### ***Depreciation and amortization***

Our depreciation and amortization expense increased \$27.5 million, or 77%, during the three months ended June 30, 2010 as compared to the same period of the prior year. Excluding the increases of approximately \$0.2 million related to the impact of changes in foreign exchange rates, depreciation and amortization expense increased \$27.3 million, or 77%. Overall increases in depreciation and amortization expense were primarily due to an increase in our Ticketing segment of \$22.5 million. These overall increases are primarily driven by the incorporation of the Ticketmaster results after the completion of the Merger.

Our depreciation and amortization expense increased \$44.7 million, or 58%, during the six months ended June 30, 2010 as compared to the same period of the prior year. Excluding the increases of approximately \$0.8 million related to the impact of changes in foreign exchange rates, depreciation and amortization expense increased \$43.9 million, or 57%. Overall increases in depreciation and amortization expense were primarily due to an increase in our Ticketing segment of \$39.2 million. These overall increases are primarily driven by the incorporation of the Ticketmaster results after the completion of the Merger.

More detailed explanations of these changes are included in the applicable segment discussions below.

### ***Loss (gain) on sale of operating assets***

The loss on sale of operating assets for the six months ended June 30, 2010 was \$3.9 million primarily due to the \$5.2 million loss resulting from our sale of Paciolan in the first quarter of 2010. There were no significant sales in 2009.

### ***Corporate expenses***

Corporate expenses increased \$9.5 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to \$0.6 million of severance cost associated with the reorganization of our business units subsequent to the Merger and \$9.3 million in incremental corporate expenses related to the Merger with Ticketmaster.

Corporate expenses increased \$33.1 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to \$11.2 million of incremental non-cash compensation expense primarily associated with equity awards exchanged and accelerated in connection with the Merger, \$4.7 million of severance cost associated with the reorganization of our business units subsequent to the Merger and \$17.5 million in incremental corporate expenses related to the Merger with Ticketmaster.

### ***Acquisition transaction expenses***

Acquisition transaction expenses decreased \$8.5 million and \$3.3 million, respectively, during the three and six months ended June 30, 2010 as compared to the same period of the prior year primarily due to the completion of the Merger in January 2010 and changes in the fair value of contingent consideration.

### ***Interest expense***

Interest expense increased \$14.0 million, or 88%, during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental interest expense of \$10.0 million related to our Merger with Ticketmaster along with higher debt balances and higher average interest rates.

Interest expense increased \$23.2 million, or 70%, during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental interest expense of \$21.4 million related to our Merger with Ticketmaster along with higher debt balances and higher average interest rates.

Our debt balances and weighted average cost of debt, excluding the debt discount on convertible senior notes and the debt premium on the 10.75% senior notes, were \$1.766 billion and 6.01%, respectively, at June 30, 2010 and \$888.8 million and 5.53%, respectively at June 30, 2009.

### ***Loss on extinguishment of debt***

We recorded a loss on extinguishment of debt of \$21.2 million during the three and six months ended June 30, 2010, relating to the replacement of our existing senior secured credit facilities with a new credit agreement that provides for \$1.2 billion in credit facilities in May 2010.

### ***Income Taxes***

We customarily calculate interim effective tax rates in accordance with ASC topic 740, *Income Taxes*, or ASC 740. As required by ASC 740, we apply the estimated annual effective tax rate to year-to-date pretax income (loss) at the end of each interim period to compute a year-to-date tax expense (or benefit). ASC 740 requires departure from customary effective tax

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rate computations when losses incurred within tax jurisdictions cannot be carried back and future profits associated with operations in those tax jurisdictions cannot be assured beyond any reasonable doubt. Accordingly, we have calculated an expected annual effective tax rate of approximately 20% (as compared to 27% in the prior year), excluding significant, unusual or extraordinary items, for ordinary income associated with operations, which are principally outside of the United States, for which we currently expect to have annual taxable income. The significant decrease in the expected annual effective tax rate is driven by the change in composition of earnings in lower-taxed foreign jurisdictions, primarily driven by the acquisition of Ticketmaster. The effective tax rate has been applied to year-to-date earnings for those operations for which we currently expect to have taxable income. We have not recorded tax benefits associated with losses from operations for which future taxable income cannot be reasonably assured. As required by ASC 740, we also include tax effects of significant, unusual or extraordinary items in income tax expense in the interim period in which they occur.

The net income tax expense from continuing operations is \$11.3 million and the net income tax benefit from continuing operations is \$4.0 million for the three and six months ended June 30, 2010, respectively. The components of tax expense that contributed to the net tax benefit for the six months ended June 30, 2010, included state and local taxes of \$2.6 million, tax reserve accruals and settlements of uncertain tax positions of (\$0.1) million, income taxes expense based on the expected annual rate pertaining to income for the six months ending June 30, 2010 of \$2.0 million, withholding taxes of \$1.8 million federal tax benefit of (\$1.7) million attributable to the carryback of net operating losses and other discrete items of (\$8.6) million. Other discrete items include (\$6.1) million of reversals of valuation allowances recorded against U.S. federal and state deferred tax assets driven by deferred tax attributes attributable to the acquisition of Ticketmaster, (\$1.6) million related to impairment charges and other items of (\$0.9) million.

As of June 30, 2010 and December 31, 2009, we had unrecognized tax benefits of approximately \$9.6 million and \$4.1 million, respectively. During the six months ended June 30, 2010, the unrecognized tax benefits increased by approximately \$5.6 million for acquired unrecognized tax benefits of Ticketmaster and decreased by approximately (\$0.1) million for tax reserve accruals and settlements of uncertain tax positions. If unrecognized tax benefits as of June 30, 2010 are subsequently recognized, approximately \$9.1 million, net of related deferred tax assets and interest, would reduce the income tax provision from continuing operations.

We have U.S. federal net operating loss carry forwards that, if not used, will expire between calendar years 2010 and 2029. The amounts of net operating loss carry forwards that will expire in 2010 if not used is \$4.3 million.

### **Discontinued Operations**

In October 2009, we sold our remaining theatrical venues and operations in the United Kingdom for a gross sales price of \$148.7 million to The Ambassador Theatre Group Limited. After fees, expenses, an adjustment to replace the show cash of the theatrical business that was previously removed from the operations and utilized by us and a working capital adjustment, we received \$111.3 million of net proceeds. The sale of the U.K. theatrical business resulted in a tax-free gain of \$56.6 million in the fourth quarter of 2009. In 2010, we reported an additional \$0.7 million of expense.

### **Concerts Results of Operations**

Our Concerts segment operating results were, and discussions of significant variances are, as follows:

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2010	2009		2010	2009	
	<i>(in thousands)</i>			<i>(in thousands)</i>		
Revenue	\$859,511	\$924,779	(7)%	\$1,267,620	\$1,337,953	(5)%
Direct operating expenses	706,079	773,453	(9)%	1,033,855	1,102,274	(6)%
Selling, general and administrative expenses	131,257	127,404	3%	256,104	239,821	7%
Depreciation and amortization	27,824	29,102	(4)%	56,227	63,588	(12)%
Gain on sale of operating assets	(1,282)	(718)	*	(1,269)	(991)	*
Acquisition transaction expenses	161	16	*	145	145	0%
Operating loss	<u>\$ (4,528)</u>	<u>\$ (4,478)</u>	1%	<u>\$ (77,442)</u>	<u>\$ (66,884)</u>	16%
Operating margin	(0.5)%	(0.5)%		(6.1)%	(5.0)%	
Adjusted operating income (loss) **	\$ 24,251	\$ 25,307	(4)%	\$ (18,253)	\$ (2,075)	*

\* Percentages are not meaningful.

\*\* Adjusted operating income (loss) is discussed in more detail and reconciled to operating income (loss) below.

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### *Three Months*

Concerts revenue decreased \$65.3 million, or 7%, during the three months ended June 30, 2010 as compared to the same period of the prior year. Excluding the decrease of \$12.9 million related to the impact of changes in foreign exchange rates, revenue decreased \$52.4 million, or 6%, primarily due to an overall decrease in the number of events and attendance for amphitheaters, stadiums and arena shows along with a reduction in revenue of \$2.6 million related to the effect of our divestiture of two theaters and a club in September 2009. Offsetting these decreases was an increase in overall revenue of \$2.3 million related to our acquisition of Parcolimpico in November 2009 and also the number and timing of global tours.

Concerts direct operating expenses decreased \$67.4 million, or 9%, during the three months ended June 30, 2010 as compared to the same period of the prior year. Excluding the decrease of \$11.2 million related to the impact of changes in foreign exchange rates, direct operating expenses decreased \$56.2 million, or 7%, primarily due to lower expenses associated with the decreased number of events and attendance and overall show cost decline along with \$1.6 million less expense related to the divestiture noted above. Partially offsetting these decreases were incremental direct operating expenses of \$0.2 million related to the acquisition noted above and the number and the timing of global tours.

Concerts selling, general and administrative expenses increased \$3.9 million, or 3%, during the three months ended June 30, 2010 as compared to the same period of the prior year. Excluding the decrease of \$1.2 million related to the impact of changes in foreign exchange rates, selling, general and administrative expenses increased \$5.1 million, or 4%, primarily due to \$1.9 million incremental expense related to the acquisition noted above partially offset by decreases in selling, general and administrative expenses of \$0.8 million relating to the divestiture noted above.

Concerts depreciation and amortization expense decreased \$1.3 million, or 4%, during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to an impairment of \$2.8 million recorded during 2009 related to two theaters, four clubs and a theater development project that was no longer being pursued.

The increase in operating loss for Concerts was primarily related to a reduction in overall show expenses.

### *Six Months*

Concerts revenue decreased \$70.3 million, or 5%, during the six months ended June 30, 2010 as compared to the same period of the prior year. Excluding the increase of \$3.9 million related to the impact of changes in foreign exchange rates, revenue decreased \$74.2 million, or 6%, primarily due to an overall decrease in the number of events and attendance for amphitheaters, stadiums and arena shows along with a reduction in revenue of \$6.4 million related to the effect of our divestiture of two theaters and a club in September 2009. Offsetting these decreases was an increase in revenue of \$6.8 million related to our acquisitions of Brand New Live in February 2009, Tecjet in March 2009 and Parcolimpico in November 2009 and also the number and the timing of global tours.

Concerts direct operating expenses decreased \$68.4 million, or 6%, during the six months ended June 30, 2010 as compared to the same period of the prior year. Excluding the increase of \$2.2 million related to the impact of changes in foreign exchange rates, direct operating expenses decreased \$70.6 million, or 6%, primarily due to lower expenses associated with the decreased number of events and attendance along with \$3.7 million less expense related to the divestiture noted above. Partially offsetting these decreases were incremental direct operating expenses of \$1.2 million related to the acquisitions noted above, a \$13.4 million allowance recorded related to certain artist advances and also the number and the timing of global tours.

Concerts selling, general and administrative expenses increased \$16.3 million, or 7%, during the six months ended June 30, 2010 as compared to the same period of the prior year. Excluding the increase of \$2.4 million related to the impact of changes in foreign exchange rates, selling, general and administrative expenses increased \$13.9 million, or 6%, primarily due to annualization of new hires and other overhead cost increases including consulting, marketing and legal costs, severance expense of \$1.0 million resulting from a reorganization of the division along with \$4.6 million incremental expense related to the acquisitions noted above. Partially offsetting these increases were decreases in selling, general and administrative expenses of \$1.9 million relating to the divestiture noted above.

Concerts depreciation and amortization expense decreased \$7.4 million, or 12%, during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to an impairment of \$10.5 million recorded during 2009 related to two theaters, four clubs and a theater development project that was no longer being pursued.

The increase in operating loss for Concerts was primarily related to the allowance recorded related to certain artist advances as discussed above.

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**Artist Nation Results of Operations**

Our Artist Nation segment operating results were, and discussions of significant variances are, as follows:

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2010	2009		2010	2009	
	<i>(in thousands)</i>			<i>(in thousands)</i>		
Revenue	\$88,819	\$61,700	44%	\$158,268	\$103,452	53%
Direct operating expenses	55,907	50,364	11%	105,231	83,005	27%
Selling, general and administrative expenses	25,013	8,959	*	45,857	19,305	*
Depreciation and amortization	10,246	1,978	*	18,169	4,936	*
Loss on sale of operating assets	(1)	-	*	(1)	9	*
Acquisition transaction expenses	4,734	-	*	4,734	-	*
Operating income (loss)	<u>\$ (7,080)</u>	<u>\$ 399</u>	*	<u>\$ (15,722)</u>	<u>\$ (3,803)</u>	*
Operating margin	(8.0)%	0.6%		(9.9)%	(3.7)%	
Adjusted operating income **	\$ 9,928	\$ 2,397	*	\$ 10,690	\$ 1,463	*

\* Percentages are not meaningful.

\*\* Adjusted operating income (loss) is discussed in more detail and reconciled to operating income (loss) below.

**Three Months**

Artist Nation revenue increased \$27.1 million, or 44%, during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental revenue of \$42.4 million related to our Merger with Ticketmaster partially offset by a decline in tour merchandise revenue driven by the timing of tours for our artists.

Artist Nation direct operating expenses increased \$5.5 million, or 11% during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental direct operating expenses of \$18.7 million related to our Merger with Ticketmaster partially offset by a decline in tour merchandise expense driven by the timing of tours for our artists.

Artist Nation selling, general and administrative expenses increased \$16.1 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental selling, general and administrative expenses of \$16.5 million related to our Merger with Ticketmaster.

Artist Nation depreciation and amortization expense increased \$8.3 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental amortization expense of \$7.6 million related to definite-lived intangible assets resulting from our Merger with Ticketmaster.

**Six Months**

Artist Nation revenue increased \$54.8 million, or 53%, during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental revenue of \$68.8 million related to our Merger with Ticketmaster partially offset by a decline in tour merchandise revenue driven by the timing of tours for our artists.

Artist Nation direct operating expenses increased \$22.2 million, or 27%, during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental direct operating expenses of \$34.3 million related to our Merger with Ticketmaster partially offset by a decline in tour merchandise expense driven by the timing of tours for our artists.

Artist Nation selling, general and administrative expenses increased \$26.6 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental selling, general and administrative expenses of \$29.2 million related to our Merger with Ticketmaster partially offset by lower costs resulting from the reorganization of our merchandise businesses.

Artist Nation depreciation and amortization expense increased \$13.2 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to incremental amortization expense of \$13.4 million related to definite-lived intangible assets resulting from our Merger with Ticketmaster.



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### Ticketing Results of Operations

Our Ticketing segment operating results were, and discussions of significant variances are, as follows:

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2010	2009		2010	2009	
	<i>(in thousands)</i>			<i>(in thousands)</i>		
Revenue	\$264,137	\$17,105	*	\$473,002	\$25,972	*
Direct operating expenses	129,631	6,700	*	232,685	11,675	*
Selling, general and administrative expenses	76,952	8,157	*	146,471	15,230	*
Depreciation and amortization	24,883	2,402	*	44,432	5,255	*
Loss on sale of operating assets	646	-	*	5,205	-	*
Operating income (loss)	<u>\$ 32,025</u>	<u>\$ (154)</u>	*	<u>\$ 44,209</u>	<u>\$ (6,188)</u>	*
Operating margin	12.1%	(0.9)%		9.3%	(23.8)%	
Adjusted operating income (loss) **	\$ 63,842	\$ 2,336	*	\$ 109,647	\$ (851)	*

\* Percentages are not meaningful.

\*\* Adjusted operating income (loss) is discussed in more detail and reconciled to operating income (loss) below.

#### Three Months

Ticketing revenue increased \$247.0 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$254.2 million increase resulting from our Merger with Ticketmaster. Revenue related to ticketing service charges for our events where we control ticketing is deferred and recognized as the event occurs.

Ticketing direct operating expenses increased \$122.9 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$125.5 million increase resulting from our Merger with Ticketmaster.

Ticketing selling, general and administrative expenses increased \$68.8 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$65.0 million increase resulting from our Merger with Ticketmaster.

Ticketing depreciation and amortization expense increased \$22.5 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$21.4 million increase resulting from our Merger with Ticketmaster along with \$1.1 million related to the acceleration of depreciation expense for the CTS ticketing platform assets.

Ticketing had operating income of \$32.0 million during the three months ended June 30, 2010 as compared to an operating loss of \$0.2 million during the same period of the prior year primarily due to the addition of the Ticketmaster ticketing operations.

#### Six Months

Ticketing revenue increased \$447.0 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$455.5 million increase resulting from our Merger with Ticketmaster. Revenue related to ticketing service charges for our events where we control ticketing is deferred and recognized as the event occurs. We sell tickets online, through independent sales outlets and call centers. During the six months ended June 30, 2010, we sold 78%, 14% and 8% of primary tickets through these channels, respectively.

Ticketing direct operating expenses increased \$221.0 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$225.3 million increase resulting from our Merger with Ticketmaster.

Ticketing selling, general and administrative expenses increased \$131.2 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$129.0 million increase resulting from our Merger with Ticketmaster.

Ticketing depreciation and amortization expense increased \$39.2 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$34.2 million increase resulting from our Merger with Ticketmaster along with \$4.5 million related to the acceleration of depreciation expense for the CTS ticketing platform assets.

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Ticketing loss on sale of operating assets of \$5.2 million during the six months ended June 30, 2010 is primarily due to the sale of Paciolan in March 2010.

Ticketing had operating income of \$44.2 million during the six months ended June 30, 2010 as compared to an operating loss of \$6.2 million during the same period of the prior year primarily due to the addition of the Ticketmaster ticketing operations partially offset by the loss on sale of Paciolan in the first quarter of 2010.

### Sponsorship Results of Operations

Our Sponsorship segment operating results were as follows:

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2010	2009		2010	2009	
	<i>(in thousands)</i>			<i>(in thousands)</i>		
Revenue	\$38,825	\$39,562	(2)%	\$60,062	\$58,782	2%
Direct operating expenses	5,902	7,725	(24)%	12,036	15,709	(23)%
Selling, general and administrative expenses	6,445	4,732	36%	13,364	10,206	31%
Depreciation and amortization	62	52	19%	121	105	15%
Loss on sale of operating assets	-	-	*	6	-	*
Operating income	<u>\$26,416</u>	<u>\$27,053</u>	(2)%	<u>\$34,535</u>	<u>\$32,762</u>	5%
Operating margin	68.0%	68.4%		57.5%	55.7%	
Adjusted operating income **	\$26,400	\$27,105	(3)%	\$35,025	\$32,867	7%

\* Percentages are not meaningful.

\*\* Adjusted operating income (loss) is discussed in more detail and reconciled to operating income (loss) below.

#### Three Months

The Sponsorship operating results for the three months ended June 30, 2010, were not significantly different as compared to the same period of the prior year. Sponsorship direct operating and selling, general and administrative expenses in total decreased \$0.1 million during the three months ended June 30, 2010 as compared to the same period of the prior year. In 2010, we have changed the pay structures of many of our sponsorship sales people from a commission structure to a salary plus bonus structure in order to properly align sales incentives with the overall growth drivers and goals of the Company. This has caused a decrease in direct operating expenses and an increase in selling, general and administrative expenses but in total, the expenses are essentially unchanged.

#### Six Months

The Sponsorship operating results for the six months ended June 30, 2010, were not significantly different as compared to the same period of the prior year with an overall growth in operating income of \$1.8 million, or 5%, driven by increased sponsorship sales. Sponsorship direct operating and selling, general and administrative expenses in total decreased \$0.5 million during the six months ended June 30, 2010 as compared to the same period of the prior year. In 2010, we have changed the pay structures of many of our sponsorship sales people from a commission structure to a salary plus bonus structure in order to properly align sales incentives with the overall growth drivers and goals of the Company. This has caused a decrease in direct operating expenses and an increase in selling, general and administrative expenses but in total, the expenses are essentially unchanged.

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### eCommerce Results of Operations

Our eCommerce segment operating results were, and discussions of significant variances are, as follows:

	Three Months Ended		% Change	Six Months Ended		% Change
	June 30,			June 30,		
	2010	2009		2010	2009	
	<i>(in thousands)</i>			<i>(in thousands)</i>		
Revenue	\$18,895	\$ 3,654	*	\$36,979	\$ 5,536	*
Direct operating expenses	4,128	819	*	6,378	1,162	*
Selling, general and administrative expenses	12,190	4,485	*	20,580	9,038	*
Depreciation and amortization	431	1,328	*	3,084	2,707	*
Operating income (loss)	<u>\$ 2,146</u>	<u>\$(2,978)</u>	*	<u>\$ 6,937</u>	<u>\$(7,371)</u>	*
Operating margin	11.4%	(81.5)%		18.8%	*	
Adjusted operating income (loss) **	\$ 3,196	\$(1,650)	*	\$10,932	\$(4,448)	*

\* Percentages are not meaningful.

\*\* Adjusted operating income (loss) is discussed in more detail and reconciled to operating income (loss) below.

#### **Three Months**

eCommerce revenue increased \$15.2 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to a \$14.7 million increase resulting from our Merger with Ticketmaster.

eCommerce direct operating expenses increased \$3.3 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$2.5 million increase resulting from our Merger with Ticketmaster.

eCommerce selling, general and administrative expenses increased \$7.7 million during the three months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$6.4 million increase due to our Merger with Ticketmaster.

The increased operating income for eCommerce was primarily a result of our Merger with Ticketmaster.

#### **Six Months**

eCommerce revenue increased \$31.4 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to a \$29.9 million increase resulting from our Merger with Ticketmaster along with increased online sponsorship revenue.

eCommerce direct operating expenses increased \$5.2 million during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$4.4 million increase resulting from our Merger with Ticketmaster.

eCommerce selling, general and administrative expenses increased \$11.5 million, or 128%, during the six months ended June 30, 2010 as compared to the same period of the prior year primarily due to the \$9.3 million increase due to our Merger with Ticketmaster.

The increased operating income for eCommerce was primarily a result of our Merger with Ticketmaster.

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	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<i>(in thousands)</i>		<i>(in thousands)</i>	
Concerts	\$ (4,528)	\$ (4,478)	\$(77,442)	\$(66,884)
Artist Nation	(7,080)	399	(15,722)	(3,803)
Ticketing	32,025	(154)	44,209	(6,188)
Sponsorship	26,416	27,053	34,535	32,762
eCommerce	2,146	(2,978)	6,937	(7,371)
Other	451	384	641	508
Corporate	<u>(22,804)</u>	<u>(28,361)</u>	<u>(70,034)</u>	<u>(45,418)</u>
Consolidated operating income (loss)	<u>\$ 26,626</u>	<u>\$ (8,135)</u>	<u>\$(76,876)</u>	<u>\$(96,394)</u>

**Reconciliation of Segment Adjusted Operating Income (Loss)**

AOI is a non-GAAP financial measure that we define as operating income (loss) before acquisition expenses (including transaction costs, changes in the fair value of accrued acquisition-related contingent consideration arrangements, merger bonuses, payments under the Azoff Trust note and merger-related severance), depreciation and amortization (including goodwill impairment), loss (gain) on sale of operating assets and non-cash compensation expense. We use AOI to evaluate the performance of our operating segments. We believe that information about AOI assists investors by allowing them to evaluate changes in the operating results of our portfolio of businesses separate from non-operational factors that affect net income, thus providing insights into both operations and the other factors that affect reported results. AOI is not calculated or presented in accordance with GAAP. A limitation of the use of AOI as a performance measure is that it does not reflect the periodic costs of certain amortizing assets used in generating revenue in our business. Accordingly, AOI should be considered in addition to, and not as a substitute for, operating income (loss), net income (loss), and other measures of financial performance reported in accordance with GAAP. Furthermore, this measure may vary among other companies; thus, AOI as presented herein may not be comparable to similarly titled measures of other companies.

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The following table sets forth the computation of adjusted operating income (loss) as a supplemental measure to GAAP:

	Adjusted operating income (loss)	Non-cash compensation expense	Loss (gain) on sale of operating assets	Depreciation and amortization	Acquisition expenses	Operating income (loss)
	<i>(in thousands)</i>					
<b>Three Months Ended June 30, 2010</b>						
Concerts	\$ 24,251	\$ 1,625	\$ (1,282)	\$ 27,824	\$ 612	\$ (4,528)
Artist Nation	9,928	1,107	(1)	10,246	5,656	(7,080)
Ticketing	63,842	3,491	646	24,883	2,797	32,025
Sponsorship	26,400	107	-	62	(185)	26,416
eCommerce	3,196	184	-	431	435	2,146
Other	459	-	-	8	-	451
Corporate	(14,695)	3,862	-	547	3,700	(22,804)
Eliminations	(1,044)	-	-	(1,044)	-	-
Total	<u>\$112,337</u>	<u>\$ 10,376</u>	<u>\$ (637)</u>	<u>\$ 62,957</u>	<u>\$ 13,015</u>	<u>\$ 26,626</u>
<b>Three Months Ended June 30, 2009</b>						
Concerts	\$ 25,307	\$ 1,385	\$ (718)	\$ 29,102	\$ 16	\$ (4,478)
Artist Nation	2,397	20	-	1,978	-	399
Ticketing	2,336	88	-	2,402	-	(154)
Sponsorship	27,105	-	-	52	-	27,053
eCommerce	(1,650)	-	-	1,328	-	(2,978)
Other	451	-	-	67	-	384
Corporate	(10,970)	1,956	-	574	14,861	(28,361)
Eliminations	-	-	-	-	-	-
Total	<u>\$ 44,976</u>	<u>\$ 3,449</u>	<u>\$ (718)</u>	<u>\$ 35,503</u>	<u>\$ 14,877</u>	<u>\$ (8,135)</u>
<b>Six Months Ended June 30, 2010</b>						
Concerts	\$ (18,253)	\$ 3,624	\$ (1,269)	\$ 56,227	\$ 607	\$(77,442)
Artist Nation	10,690	2,401	(1)	18,169	5,843	(15,722)
Ticketing	109,647	9,345	5,205	44,432	6,456	44,209
Sponsorship	35,025	223	6	121	140	34,535
eCommerce	10,932	232	-	3,084	679	6,937
Other	647	-	(7)	13	-	641
Corporate	(33,883)	16,973	-	1,274	17,904	(70,034)
Eliminations	(1,044)	-	-	(1,044)	-	-
Total	<u>\$113,761</u>	<u>\$ 32,798</u>	<u>\$ 3,934</u>	<u>\$ 122,276</u>	<u>\$ 31,629</u>	<u>\$(76,876)</u>
<b>Six Months Ended June 30, 2009</b>						
Concerts	\$ (2,075)	\$ 2,067	\$ (991)	\$ 63,588	\$ 145	\$(66,884)
Artist Nation	1,463	321	9	4,936	-	(3,803)
Ticketing	(851)	82	-	5,255	-	(6,188)
Sponsorship	32,867	-	-	105	-	32,762
eCommerce	(4,448)	216	-	2,707	-	(7,371)
Other	643	-	-	135	-	508
Corporate	(22,129)	3,839	-	860	18,590	(45,418)
Eliminations	-	-	-	-	-	-
Total	<u>\$ 5,470</u>	<u>\$ 6,525</u>	<u>\$ (982)</u>	<u>\$ 77,586</u>	<u>\$ 18,735</u>	<u>\$(96,394)</u>

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### **Liquidity and Capital Resources**

Our working capital requirements and capital for our general corporate purposes, including acquisitions and capital expenditures, are funded from operations or from borrowings under our senior secured credit facility described below. Our cash is currently managed on a worldwide basis.

Our balance sheet reflects cash and cash equivalents of \$1.0 billion at June 30, 2010 and \$237.0 million at December 31, 2009. Included in the June 30, 2010 cash and cash equivalents balance is \$308.7 million of funds representing amounts equal to the face value of tickets sold on behalf of clients, or client funds. The Company does not utilize client funds for its own financing or investing activities as the amounts are payable to clients. Our balance sheet reflects current and long-term debt of \$1.739 billion at June 30, 2010, and \$740.1 million at December 31, 2009. Our weighted average cost of debt, excluding the debt discount on our term loan convertible notes and debt premium on our 10.75% senior notes, was 6.01% at June 30, 2010.

Our available cash and cash equivalents are held in accounts managed by third-party financial institutions and consist of cash in our operating accounts and invested cash. Cash held in operating accounts in many cases exceeds the Federal Deposit Insurance Corporation insurance limits. The invested cash is invested in interest-bearing funds managed by third-party financial institutions. While we monitor cash and cash equivalent balances in our operating accounts on a regular basis and adjust the balances as appropriate, these balances could be impacted if the underlying financial institutions fail. To date, we have experienced no loss or lack of access to our cash or cash equivalents; however, we can provide no assurances that access to our cash and cash equivalents will not be impacted by adverse conditions in the financial markets.

We may need to incur additional debt or issue equity to make other strategic acquisitions or investments. There can be no assurance that such financing will be available to us on acceptable terms or at all. We may make significant acquisitions in the near term, subject to limitations imposed by our financing documents and market conditions.

The lenders under our revolving credit facility and counterparties to our interest rate cap agreement consist of banks and other third-party financial institutions. While we currently have no indications or expectations that such lenders and counterparties will be unable to fund their commitments as required, we can provide no assurances that future funding availability will not be impacted by adverse conditions in the financial markets. Should an individual lender default on its obligations, the remaining lenders would not be required to fund the shortfall, resulting in a reduction in the total amount available to us for future borrowings, but would remain obligated to fund their own commitments. Should any counterparty to our interest rate cap agreement default on its obligations, we could experience higher interest rate volatility during the period of any such default.

For our Concerts segment, we generally receive cash related to ticket revenue at our owned and/or operated venues in advance of the event, which is recorded in deferred revenue until the event occurs. With the exception of some upfront costs and artist deposits, which are recorded in prepaid expenses until the event occurs, we pay the majority of event-related expenses at or after the event.

We view our available cash as cash and cash equivalents, less ticketing-related client funds, less event-related deferred revenue, less accrued expenses due to artists and for cash collected on behalf of others for ticket sales, plus event-related prepaids. This is essentially our cash available to, among other things, repay debt balances, make acquisitions, repurchase stock and finance capital expenditures.

Our intra-year cash fluctuations are impacted by the seasonality of our various businesses. Examples of seasonal effects include our Concerts and Artist Nation segments, which report the majority of their revenue in the second and third quarters, whereas our Ticketing segment generally reports higher domestic ticketing revenue in the first and second quarters. Cash inflows and outflows depend on the timing of event-related payments but the majority of the inflows generally occur prior to the event. See “—Seasonality” below. We believe that we have sufficient financial flexibility to fund these fluctuations and to access the global capital markets on satisfactory terms and in adequate amounts, although there can be no assurance that this will be the case, and capital could be less accessible and/or more costly given current economic conditions. We expect cash flow from operations and borrowings under our senior secured credit facility, along with other financing alternatives, to satisfy working capital, capital expenditures and debt service requirements for at least the succeeding year.

### **Sources of Cash**

#### ***May 2010 Senior Secured Credit Facility***

In May 2010, we replaced our existing senior secured credit facilities, including the Ticketmaster senior secured credit facility, by entering into a Credit Agreement dated as of May 6, 2010 that provides for \$1.2 billion in credit facilities. This new senior secured credit facility consists of (i) a \$100 million term loan A with a maturity of five and one-half years, (ii) an \$800

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million term loan B with a maturity of six and one-half years and (iii) a \$300 million revolving credit facility with a maturity of five years. In addition, subject to certain conditions, we have the right to increase such facilities by up to \$300 million in the aggregate. The five-year revolving credit facility provides for borrowings up to the amount of the facility with sublimits of up to (i) \$150 million to be available for the issuance of letters of credit, (ii) \$50 million to be available for swingline loans and (iii) \$100 million to be available for borrowings in foreign currencies.

The interest rates per annum applicable to loans under the senior secured credit facility are, at our option, equal to either LIBOR plus 3.0% or a base rate plus 2.0%, subject to stepdowns based on our leverage ratio. The interest rate for the term loan B is subject to a LIBOR floor of 1.5% and a base rate floor of 2.5%. We are required to pay a commitment fee of 0.5% per year on the undrawn portion available under the revolving credit facility and variable fees on outstanding letters of credit.

During the first five and one-quarter years after the closing date, we will be required to make quarterly payments on the term loan A at a rate ranging from 5% of the original principal amount in the first year of the facility to 40% in the last half-year of the facility. During the first six and one-quarter years after the closing date, we will be required to make quarterly amortization payments on the term loan B at a rate of 0.25% of the original principal amount thereof. We are also required to make mandatory prepayments of the loans under the Credit Agreement, subject to specified exceptions, from excess cash flow, and with the proceeds of asset sales, debt issuances and specified other events.

Borrowings on the May 2010 senior secured credit facility were primarily used to repay the borrowings under ours and Ticketmaster's existing credit facilities, convert existing preferred stock of one of our subsidiaries into the right to receive a cash payment, pay related fees and expenses and for general corporate purposes. During the six months ended June 30, 2010, we made principal payments totaling \$3.3 million on these term loans. Our revolving credit facility had not been drawn on as of June 30, 2010. Any borrowings on the revolving credit facility would be used to fund working capital requirements during the period. At June 30, 2010, the outstanding balances on the term loans and revolving credit facility were \$892.9 million and zero, respectively. Based on our letters of credit of \$43.7 million, \$256.3 million was available for future borrowings.

### **8.125% Senior Notes**

In May 2010, we issued \$250 million of 8.125% senior notes due 2018. Interest on the notes is payable semi-annually in cash in arrears on May 15 and November 15 of each year, beginning on November 15, 2010, and the notes will mature on May 15, 2018. We may redeem some or all of the notes at any time prior to May 15, 2014 at a price equal to 100% of the principal amount, plus any accrued and unpaid interest to the date of redemption, plus a 'make-whole' premium using a discount rate equal to the Treasury Rate plus 50 basis points. We may also redeem up to 35% of the notes from the proceeds of certain equity offerings prior to May 15, 2013, at a price equal to 108.125% of their principal amount, plus any accrued and unpaid interest. In addition, on or after May 15, 2014, we may redeem some or all of the notes at any time at redemption prices that start at 104.063% of their principal amount. We must also offer to redeem the notes at 101% of their aggregate principal amount, plus accrued and unpaid interest to the repurchase date, if we experience certain kinds of changes of control.

Borrowings on the 8.125% senior notes were primarily used to repay the borrowings under ours and Ticketmaster's existing credit facilities, convert existing preferred stock of one of our subsidiaries into the right to receive a cash payment, pay related fees and expenses and for general corporate purposes. During the six months ended June 30, 2010, we made no principal payments on these senior notes. At June 30, 2010, the outstanding balances on the 8.125% senior notes were \$250.0 million.

### **Debt Covenants**

Our senior secured credit facility, which was entered into in May 2010, contains a number of covenants and restrictions that, among other things, requires us to satisfy certain financial covenants and restricts our and our subsidiaries' ability to incur additional debt, make certain investments and acquisitions, repurchase our stock and prepay certain indebtedness, create liens, enter into agreements with affiliates, modify the nature of our business, enter into sale-leaseback transactions, transfer and sell material assets, merge or consolidate, and pay dividends and make distributions, (with the exception of subsidiary dividends or distributions to the parent company or other subsidiaries on at least a pro-rata basis with any noncontrolling interest partners). Non-compliance with one or more of the covenants and restrictions could result in the full or partial principal balance of the credit facility becoming immediately due and payable. The senior secured credit facility agreement has two covenants measured quarterly starting June 30, 2010 that relate to total leverage and interest coverage. The consolidated total leverage covenant requires us to maintain a ratio of consolidated total debt to consolidated EBITDA (both as defined in the senior secured credit facility agreement) of less than 4.9x over the trailing four consecutive quarters. The total leverage ratio will reduce to 4.5x on September 30, 2011, 4.0x on September 30, 2012, 3.75x September 30, 2013 and 3.5x on March 31, 2015. The consolidated interest coverage covenant requires us to maintain a minimum ratio of consolidated EBITDA to consolidated interest expense (both as defined in the senior secured credit facility agreement) of 2.5x over the trailing four consecutive quarters. The interest coverage will increase to 2.75x on September 30, 2011, and 3.0x on September 30, 2012.

The indentures governing the 10.75% senior notes and the 8.125% senior notes contain covenants that limit, among other things, our ability and the ability of our restricted subsidiaries to incur certain additional indebtedness and issue preferred stock; make certain distributions, investments and other restricted payments; sell certain assets; agree to any restrictions on the ability of restricted subsidiaries to make payments to us; merge, consolidate or sell all of our assets; create certain liens; and engage in transactions with affiliates on terms that are not arm's length. Certain covenants, including those pertaining to incurrence of indebtedness, restricted payments, asset sales, mergers and transactions with affiliates will be suspended during any period in which the notes are rated investment grade by both rating agencies and no default or event of default under the indentures has occurred and is continuing. The 10.75% senior notes and the 8.125% senior notes each contain two incurrence-based financial covenants, as defined, requiring a minimum fixed charge coverage ratio of 2.0 to 1.0 and a maximum secured indebtedness leverage ratio of 2.75 to 1.0.

As of June 30, 2010, we believe we were in compliance with all of our debt covenants. We expect to remain in compliance with all of

our debt covenants throughout 2010.

***Guarantees of Third-Party Obligations***

As of June 30, 2010, we guaranteed the debt of third parties of approximately \$3.8 million primarily related to maximum credit limits on employee and tour-related credit cards and guarantees of bank lines of credit of a nonconsolidated affiliate and a third-party promoter.

**Uses of Cash**

***Acquisitions***

During the six months ended June 30, 2010, our cash increased by \$763.0 million from acquisitions in our Concerts, Artist Nation, Ticketing and eCommerce segments, primarily due to the stock for stock merger with Ticketmaster in January 2010. When we make acquisitions, the acquired entity may have cash on its balance sheet at the time of acquisition. All amounts discussed in this section are presented net of any cash acquired.



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### **Capital Expenditures**

Venue operations and ticketing services operations are capital intensive businesses, requiring continual investment in our existing venues and ticketing software in order to address audience and artist expectations, technological industry advances and various federal, state and/or local regulations.

We categorize capital outlays between maintenance capital expenditures and revenue generating capital expenditures. Maintenance capital expenditures are associated with the renewal and improvement of existing venues and information systems, web development and administrative offices. Revenue generating capital expenditures generally relate to the construction of new venues or major renovations to existing buildings or buildings that are being added to our venue network or the development of new online or ticketing tools or technology enhancements. Revenue generating capital expenditures can also include smaller projects whose purpose is to add revenue and/or improve operating income. Capital expenditures typically increase during periods when venues are not in operation since that is the time that such improvements can be completed.

Our capital expenditures, including accruals, consisted of the following:

	Six Months Ended June 30,	
	2010	2009
	<i>(in thousands)</i>	
Maintenance capital expenditures	\$22,623	\$ 8,661
Revenue generating capital expenditures	7,193	15,976
Total capital expenditures	<u>\$29,816</u>	<u>\$24,637</u>

Maintenance capital expenditures during the first six months of 2010 increased from the same period of the prior year primarily due to our Merger with Ticketmaster.

Revenue generating capital expenditures during the first six months of 2010 decreased from the same period of the prior year primarily due to the 2009 development and renovation of various venues including a *House of Blues* club in Boston, the Gibson Amphitheater in California and the AMG venue expansion in Birmingham.

We currently expect capital expenditures to be approximately \$100.0 million for the full year 2010, with approximately half of that amount expected to be spent on maintenance capital projects.

### **Summary**

Our primary short-term liquidity needs are to fund general working capital requirements and capital expenditures while our long-term liquidity needs are primarily acquisition related. Our primary sources of funds for our short-term liquidity needs will be cash flows from operations and borrowings under our senior secured credit facility, while our long-term sources of funds will be from cash from operations, long-term bank borrowings and other debt or equity financing.

### **Cash Flows**

	Six Months Ended June 30,	
	2010	2009
	<i>(in thousands)</i>	
Cash provided by (used in):		
Operating activities	\$168,279	\$338,726
Investing activities	\$557,351	\$(34,198)
Financing activities	\$ 79,166	\$(60,551)

### **Operating Activities**

Cash provided by operations was \$168.3 million for the six months ended June 30, 2010, compared to \$338.7 million for the six months ended June 30, 2009. The \$170.4 million decrease in cash provided by operations resulted primarily from changes in the event-related operating accounts which are dependent on the timing of ticket sales along with the size and number of events for upcoming periods partially offset by the increase in the cash-related portion of net income. During the first six months of 2010, we had less deferred revenue and paid more accrued event-related expenses partially offset by lower payments of prepaid event-related expenses as compared to the same period of 2009 resulting in a decrease to cash provided by operations.

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### *Investing Activities*

Cash provided by investing activities was \$557.4 million for the six months ended June 30, 2010, compared to cash used in investing activities of \$34.2 million for the six months ended June 30, 2009. The \$591.6 million increase in cash provided by investing activities is primarily due to cash acquired in the Merger.

### *Financing Activities*

Cash provided by financing activities was \$79.2 million for the six months ended June 30, 2010, compared to cash used in financing activities of \$60.6 million for the six months ended June 30, 2009. The \$139.8 million increase in cash provided by financing activities was primarily a result of net proceeds received in 2010 from the issuance of \$250 million of 8.125% senior notes and our new senior secured credit facility, after repayment of the borrowings under the Live Nation and Ticketmaster credit facilities, payment of debt issuance costs as well as the redemption of preferred stock, as compared to net paydowns on our previous revolving credit facility in the same period of the prior year.

### **Seasonality**

Our Concerts and Artist Nation segments typically experience higher operating income in the second and third quarters as our outdoor venues and international festivals are primarily used or occur during May through September, while domestic ticket sales for concerts and sporting events are generally earned in the first and second quarters of the year. Generally, international ticketing revenues and operating income are highest in the fourth quarter of the year, earned primarily through concert ticket sales. In addition, the timing of tours of top-grossing acts can impact comparability of quarterly results year over year, although annual results may not be impacted. Our Ticketing segment sales are impacted by fluctuations in the availability of events for sale to the public, which vary depending upon scheduling by our clients.

Cash flows from our Concerts segment typically have a slightly different seasonality as payments are often made for artist performance fees and production costs in advance of the date the related event tickets go on sale. These artist fees and production costs are expensed when the event occurs. Once tickets for an event go on sale, we generally begin to receive payments from ticket sales in advance of when the event occurs. We record these ticket sales as revenue when the event occurs.

### **Market Risk**

We are exposed to market risks arising from changes in market rates and prices, including movements in foreign currency exchange rates and interest rates.

#### *Foreign Currency Risk*

We have operations in countries throughout the world. The financial results of our foreign operations are measured in their local currencies. As a result, our financial results could be affected by factors such as changes in foreign currency exchange rates or weak economic conditions in the foreign markets in which we operate. Currently, we do not operate in any hyper-inflationary countries. Our foreign operations reported an operating loss of \$3.3 million for the six months ended June 30, 2010. We estimate that a 10% change in the value of the United States dollar relative to foreign currencies would change our operating income for the six months ended June 30, 2010 by \$0.3 million. As of June 30, 2010, our primary foreign exchange exposure included the Euro, British Pound and Canadian Dollar. This analysis does not consider the implication such currency fluctuations could have on the overall economic conditions of the United States or other foreign countries in which we operate or on the results of operations of our foreign entities.

We use forward currency contracts to reduce our exposure to foreign currency risk. The principal objective of such contracts is to minimize the risks and/or costs associated with short-term artist fee commitments. In certain limited instances, we also enter into forward currency contracts to minimize the risks and/or costs associated with changes in foreign currency rates on short-term intercompany loans payable to certain international subsidiaries and on forecasted operating income. At June 30, 2010, we had forward currency contracts outstanding with a notional amount of \$145.9 million.

#### *Interest Rate Risk*

Our market risk is also affected by changes in interest rates. We had \$1.739 billion total debt, net of unamortized discounts and premiums, outstanding as of June 30, 2010. Of the total amount, taking into consideration existing interest rate hedges, we have \$917.7 million of fixed-rate debt and \$820.9 million of floating-rate debt.

Based on the amount of our floating-rate debt as of June 30, 2010, each 25 basis point increase or decrease in interest rates would increase or decrease our annual interest expense and cash outlay by approximately \$2.1 million. This potential increase or decrease is based on the simplified assumption that the level of floating-rate debt remains constant with an immediate across-the-board increase or decrease as of June 30, 2010 with no subsequent change in rates for the remainder of the period.

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At June 30, 2010, we have one interest rate cap agreement that is designated as a cash flow hedge for accounting purposes. The interest rate cap had a notional amount of \$98.8 million at June 30, 2010, to limit our cash flow exposure to an interest rate of 4% per annum. This agreement expires on June 30, 2013. The fair value of this agreement at June 30, 2010 was an asset of \$0.2 million. This agreement was put in place to reduce the variability of a portion of the cash flows from the interest payments related to the May 2010 senior secured credit facility. The original terms of the May 2010 senior secured credit facility require one or more interest rate protection agreements, with an effect of fixing or limiting the interest costs, for at least 50% of the consolidated total funded debt at the closing date for at least three years. Upon the execution of this interest rate cap agreement, the existing interest rate protection agreements fully met this requirement.

As part of the acquisition of AMG, we have an interest rate swap agreement with a \$16.5 million aggregate notional amount that effectively converts a portion of our floating-rate debt to a fixed-rate basis. This agreement expires in January 2015. Also, in connection with the financing of the redevelopment of the O<sub>2</sub> Dublin, we have an interest rate swap agreement with a notional amount of \$15.1 million that expires in December 2013 effectively converting a portion of our floating-rate debt to a fixed-rate basis. These interest rate swap agreements have not been designated as hedging instruments. Therefore, any change in fair value is recorded in earnings during the period of the change.

In July 2007, we issued \$220.0 million of 2.875% convertible senior notes due 2027. Beginning with the period commencing on July 20, 2014 and ending on January 14, 2015, and for each of the interest periods commencing thereafter, we will pay contingent interest on the notes if the average trading price of the notes during the five consecutive trading days ending on the second trading day immediately preceding the first day of the applicable interest period equals or exceeds 120% of the principal amount of the notes. The contingent interest payable per note will equal 0.25% per year of the average trading price of such note during the applicable five trading-day reference period, payable in arrears.

### **Ratio of Earnings to Fixed Charges**

The ratio of earnings to fixed charges is as follows:

Six Months Ended June 30,		Year Ended December 31,			
2010	2009	2009	2008	2007	2006
*	*	*	*	*	*

\* For the six months ended June 30, 2010 and 2009, fixed charges exceeded earnings from continuing operations before income taxes and fixed charges by \$151.3 million and \$128.6 million, respectively. For the years ended December 31, 2009, 2008, 2007 and 2006, fixed charges exceeded earnings from continuing operations before income taxes and fixed charges by \$116.5 million, \$358.6 million, \$45.8 million and \$30.0 million, respectively.

The ratio of earnings to fixed charges was computed on a total enterprise basis. Earnings represent income from continuing operations before income taxes less equity in undistributed net income (loss) of nonconsolidated affiliates plus fixed charges. Fixed charges represent interest, amortization of debt discount and premium and the estimated interest portion of rental charges. Rental charges exclude variable rent expense for events in third-party venues.

### **Stock-Based Compensation**

As of June 30, 2010, there was \$119.2 million of total unrecognized compensation cost related to unvested stock-based compensation arrangements for stock options, restricted stock awards and restricted stock units. This cost is expected to be recognized over the next four years.

### **Recent Accounting Pronouncements**

#### ***Recently Adopted Pronouncements***

In June 2009, the FASB issued ASU 2009-17, *Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities*, codified in ASC topic 810, *Consolidations*. This pronouncement amends portions of ASC topic 810 relating to variable interest entities. Among other accounting and disclosure requirements, the pronouncement replaces the quantitative-based risks and rewards calculation for determining which enterprise has a controlling financial interest in a variable interest entity with an approach focused on identifying which enterprise has the power to direct the activities of a variable interest entity and the obligation to absorb losses of the entity or the right to receive benefits from the entity. We adopted the relevant provisions of ASC topic 810 on January 1, 2010 and are applying the requirements prospectively. Our adoption of the variable interest guidance did not have a material impact on our financial position or results of operations.

In January 2010, the FASB issued ASU 2010-06, *Improving Disclosures about Fair Value Measurements*, codified in ASC topic 820, *Fair Value Measurements and Disclosures*. This pronouncement amends portions of ASC topic 820 to require: (i) disclosure of significant transfers in and out of Level 1 and Level 2 fair value measurements and (ii) presentation of

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activities within the Level 3 rollforward reconciliation on a gross basis. In addition, the pronouncement amends portions of ASC topic 820 to provide the following clarifications regarding existing disclosures: (i) a reporting entity should provide fair value measurement disclosures for each class of assets and liabilities and (ii) a reporting entity should provide disclosures about the valuation techniques and inputs used to measure fair value for both recurring and nonrecurring fair value measurements that fall in either Level 2 or Level 3. With the exception of the amendment related to presentation of the activities within the Level 3 rollforward reconciliation, which is effective for fiscal years beginning after December 15, 2010, we adopted the relevant provisions of ASC topic 820 on January 1, 2010 and have included the required disclosures in our consolidated financial statements.

### ***Recently Issued Pronouncements***

In October 2009, the FASB issued ASU 2009-13, *Multiple-Deliverable Revenue Arrangements*, or ASU 2009-13, which requires an entity to allocate consideration at the inception of an arrangement to all of its deliverables based on their relative selling prices. This consensus eliminates the use of the residual method of allocation and requires allocation using the relative-selling-price method in all circumstances in which an entity recognizes revenue for an arrangement with multiple deliverables. ASU 2009-13 is effective for fiscal years beginning on or after June 15, 2010. We will adopt ASU 2009-13 on January 1, 2011 and apply it prospectively. We do not believe the adoption of this pronouncement will have a material impact on our financial position or results of operations.

### **Critical Accounting Policies and Estimates**

The preparation of our financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the reporting period. On an ongoing basis, we evaluate our estimates that are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. The result of these evaluations forms the basis for making judgments about the carrying values of assets and liabilities and the reported amount of revenue and expenses that are not readily apparent from other sources. Because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such difference could be material.

Management believes that the accounting estimates involved in the allowance for doubtful accounts, impairment of long-lived assets and goodwill, revenue recognition, litigation accruals, stock-based compensation and accounting for income taxes are the most critical to aid in fully understanding and evaluating our reported financial results, and they require management's most difficult, subjective or complex judgments, resulting from the need to make estimates about the effect of matters that are inherently uncertain. These critical accounting estimates, the judgments and assumptions and the effect if actual results differ from these assumptions are described in Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our Annual Report on Form 10-K filed with the SEC on February 25, 2010 and as amended by our Form 10-K/A filed with the SEC on April 30, 2010.

There have been no changes to our critical accounting policies during the six months ended June 30, 2010.

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

Required information is within Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations—Market Risk.

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

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

We have established disclosure controls and procedures to ensure that material information relating to our company, including our consolidated subsidiaries, is made known to the officers who certify our financial reports and to other members of senior management and our board of directors.

Based on their evaluation as of June 30, 2010, our Chief Executive Officer and Chief 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) are effective to ensure that (1) the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (2) the information we are required to disclose in such reports is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or internal controls will prevent all possible errors and fraud. Our disclosure controls and procedures are, however, designed to provide reasonable assurance of achieving their objectives, and our Chief Executive Officer and

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Chief Financial Officer have concluded that our financial controls and procedures are effective at that reasonable assurance level.

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

Except as noted below, there has been no change in our internal control over financial reporting during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

In January 2010, we completed our merger of Ticketmaster with and into a wholly-owned subsidiary of Live Nation. We are currently integrating policies, processes, technology and operations for the combined company and will continue to evaluate our internal control over financial reporting as we develop and execute our integration plans. Until the companies are fully integrated, we will maintain the operational integrity of each company's legacy internal controls over financial reporting.

## **PART II—OTHER INFORMATION**

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

#### **CTS Arbitration**

CTS filed a request for arbitration with the International Court of Arbitration of the International Chamber of Commerce in April 2010. CTS asserts that we breached our obligations under the terms of our agreement with CTS and failed to allocate the proper number of tickets to CTS's system in the United Kingdom, and that the Merger with Ticketmaster and our subsequent actions have breached the implied covenant of good faith and fair dealing. CTS seeks a declaration that we are in breach of the agreement and of the implied covenant of good faith and fair dealing, unspecified damages resulting from such breaches and specific performance of our obligations under the agreement. In June 2010, we terminated our agreement with CTS, based on CTS' multiple, material failures to perform its obligations under the agreement. We intend to vigorously defend the action.

#### **Live Concert Antitrust Litigation**

We were a defendant in a lawsuit filed by Malinda Heerwagen in June 2002 in U.S. District Court. The plaintiff, on behalf of a putative class consisting of certain concert ticket purchasers, alleged that anti-competitive practices for concert promotion services by us nationwide caused artificially high ticket prices. In August 2003, the District Court ruled in our favor, denying the plaintiff's class certification motion. The plaintiff appealed to the U.S. Court of Appeals. In January 2006, the Court of Appeals affirmed, and the plaintiff then dismissed her action that same month. Subsequently, twenty-two putative class actions were filed by different named plaintiffs in various U.S. District Courts throughout the country, making claims substantially similar to those made in the *Heerwagen* action, except that the geographic markets alleged are regional, statewide or more local in nature, and the members of the putative classes are limited to individuals who purchased tickets to concerts in the relevant geographic markets alleged. The plaintiffs seek unspecified compensatory, punitive and treble damages, declaratory and injunctive relief and costs of suit, including attorneys' fees. We have filed our answers in some of these actions and have denied liability. In April 2006, granting our motion, the Judicial Panel on Multidistrict Litigation transferred these actions to the U.S. District Court for the Central District of California for coordinated pre-trial proceedings. In June 2007, the District Court conducted a hearing on the plaintiffs' motion for class certification, and also that month the Court entered an order to stay all proceedings pending the Court's ruling on class certification. In October 2007, the Court granted the plaintiffs' motion and certified classes in the Chicago, New England, New York/New Jersey, Colorado and Southern California regional markets. In November 2007, the Court extended its stay of all proceedings pending further developments in the U.S. Court of Appeals for the Ninth Circuit. In February 2008, we filed with the District Court a Motion for Reconsideration of its October 2007 class certification order. A ruling by the District Court on our Motion is pending. We intend to vigorously defend all claims in all of the actions.

#### **UPS Consumer Class Action Litigation**

In October 2003, a purported representative action was filed in the Superior Court of California challenging Ticketmaster's charges to online customers for UPS ticket delivery and alleging that its failure to disclose on its website that the charges contain a profit component is unlawful. The complaint asserted a claim for violation of California's Unfair Competition Law, or UCL, and sought restitution or disgorgement of the difference between (i) the total UPS delivery fees charged by Ticketmaster in connection with online ticket sales during the applicable period, and (ii) the amount that Ticketmaster actually paid to UPS for delivery of those tickets. In August 2005, the plaintiff filed a first amended complaint, then pleading the case as a putative class action and adding the claim that Ticketmaster's website disclosures in respect of its ticket order-processing fees constitute false advertising in violation of California's False Advertising Law. On this new claim, the amended complaint seeks restitution or disgorgement of the entire amount of order-processing fees charged by Ticketmaster during the applicable period. In April 2009, the Court granted the plaintiff's motion for leave to file a second

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amended complaint adding new claims that (a) Ticketmaster's order processing fees are unconscionable under the UCL, and (b) Ticketmaster's alleged business practices further violate the California Consumer Legal Remedies Act. Plaintiff later filed a third amended complaint, to which Ticketmaster filed a demurrer in July 2009. The Court overruled Ticketmaster's demurrer in October 2009.

The plaintiff filed a class certification motion in August 2009, which Ticketmaster opposed. In February 2010, the Court granted certification of a class on the first two causes of action, which allege that Ticketmaster misrepresents/omits the fact of a profit component in its UPS and order processing fees. The class consists of California consumers who purchased tickets through Ticketmaster's website from 1999 to present. The Court denied certification of a class on the third and fourth causes of action, which allege that Ticketmaster's UPS and order processing fees are unconscionably high. In March 2010, Ticketmaster filed a Petition for Writ of Mandate with the California Court of Appeal, and plaintiffs also filed a motion for reconsideration of the Superior Court's class certification order. In April 2010, the Superior Court denied plaintiffs' Motion for Reconsideration of the Court's class certification order, and the Court of Appeal denied Ticketmaster's Petition for Writ of Mandate. In June 2010, Ticketmaster filed its Motion for Summary Judgment on all causes of action in the Superior Court. Later that month, the Court of Appeal granted the plaintiffs' Petition for Writ of Mandate and ordered the Superior Court to vacate its February 2010 order denying plaintiffs' motion to certify a national class and enter a new order certifying a nationwide class on the first two causes of action or show cause why a peremptory writ with that order should not issue. Later that month, the Court of Appeal granted the plaintiffs' Petition for Writ of Mandate and ordered the Superior Court to vacate its February 2010 order denying plaintiffs' motion to certify a national class and enter a new order granting plaintiffs' motion to certify a nationwide class on the first two claims, or show cause why the Court of Appeal should not direct the Superior Court to do so. We intend to vigorously defend the action.

### **Canadian Consumer Class Action Litigation Relating to TicketsNow**

In February 2009, five putative consumer class action complaints were filed in various provinces of Canada against TicketsNow, Ticketmaster, Ticketmaster Canada Ltd. and Premium Inventory, Inc. All of the cases allege essentially the same set of facts and causes of action. Each plaintiff purports to represent a class consisting of all persons who purchased a ticket from Ticketmaster, Ticketmaster Canada Ltd. or TicketsNow from February 2007 to present and alleges that Ticketmaster conspired to divert a large number of tickets for resale through the TicketsNow website at prices higher than face value. The plaintiffs characterize these actions as being in violation of Ontario's Ticket Speculation Act, the Amusement Act of Manitoba, the Amusement Act of Alberta or the Quebec Consumer Protection Act. The Ontario case contains the additional allegation that Ticketmaster and TicketsNow's service fees run afoul of anti-scalping laws. Each lawsuit seeks compensatory and punitive damages on behalf of the class. We intend to vigorously defend all claims in all of the actions.

### **United States Consumer Class Action Litigation Relating to TicketsNow**

From February through June 2009, eleven purported class action lawsuits asserting causes of action under various state consumer protection laws were filed against Ticketmaster and TicketsNow in U.S. District Courts in California, New Jersey, Minnesota, Pennsylvania and North Carolina. The lawsuits allege that Ticketmaster and TicketsNow unlawfully deceived consumers by, among other things, selling large quantities of tickets to TicketsNow's ticket brokers, either prior to or at the time that tickets for an event go on sale, thereby forcing consumers to purchase tickets at significantly marked-up prices on TicketsNow.com instead of Ticketmaster.com. The plaintiffs further claim violation of the consumer protection laws by Ticketmaster's alleged "redirecting" of consumers from Ticketmaster.com to Ticketsnow.com, thereby engaging in false advertising and an unfair business practice by deceiving consumers into inadvertently purchasing tickets from TicketsNow for amounts greater than face value. The plaintiffs claim that Ticketmaster has been unjustly enriched by this conduct and seek compensatory damages, a refund to every class member of the difference between tickets' face value and the amount paid to TicketsNow, an injunction preventing Ticketmaster from engaging in further unfair business practices with TicketsNow and attorney fees and costs. In July 2009, all of the cases were consolidated and transferred to the U.S. District Court for the Central District of California. The plaintiffs filed their consolidated class action complaint in September 2009, to which Ticketmaster filed its answer the following month. In July 2010, Ticketmaster filed its Motion for Summary Judgment. We intend to vigorously defend all claims in all of the actions.

### **Litigation Relating to the Merger of Live Nation and Ticketmaster**

Ticketmaster and their Board of Directors were named as defendants in a pair of lawsuits filed in February 2009 in the Superior Court of California challenging the Merger. These actions were consolidated by court order in March 2009. The consolidated complaint, as amended, generally alleges that Ticketmaster and its directors breached their fiduciary duties by entering into the Merger Agreement without regard to the fairness of its terms to the Ticketmaster stockholders and in return for illicit payments of "surplus" Live Nation stock. It also alleges that the joint proxy statement/prospectus of Live Nation and Ticketmaster contained material omissions and misstatements. The plaintiffs moved for a preliminary injunction barring the completion of the Merger in December 2009, which motion was denied at a hearing held later that month. The Ticketmaster and Live Nation stockholders each approved the Merger in January 2010, and the Merger was consummated later that same month. The plaintiffs continue to prosecute the case, now seeking compensatory damages, attorneys' fees and expenses. The Ticketmaster defendants have answered the complaint, denying its allegations and asserting defenses. In April 2010, the parties reached a settlement which the court approved in July 2010.

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**Other Litigation**

From time to time, we are involved in other legal proceedings arising in the ordinary course of our business, including proceedings and claims based upon violations of antitrust laws and tortious interference, which could cause us to incur significant expenses. We have also been the subject of personal injury and wrongful death claims relating to accidents at our venues in connection with our operations. As required, we accrued our estimate of the probable settlement or other losses for the resolution of any outstanding claims. These estimates have been developed in consultation with counsel and are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies. It is possible, however, that future results of operations for any particular period could be materially affected by changes in our assumptions or the effectiveness of our strategies related to these proceedings. In addition, under our agreements with Clear Channel, we have assumed and will indemnify Clear Channel for liabilities related to our business for which they are a party in the defense.

**Item 1A. Risk Factors**

While we attempt to identify, manage and mitigate risks and uncertainties associated with our business to the extent practical under the circumstances, some level of risk and uncertainty will always be present. Item 1A of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010, which amended and restated Item 1A of our 2009 Annual Report on Form 10-K as amended by our Form 10-K/A filed with the SEC on April 30, 2010, describes some of the risks and uncertainties associated with our business which have the potential to materially affect our business, financial condition or results of operations. We do not believe that there have been any material changes to the risk factors previously disclosed in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010.

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

None.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 5. Other Information**

None.

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### Item 6. Exhibits

Exhibit No.	Exhibit Description	Incorporated by Reference					Filed Here with
		Form	File No.	Exhibit No.	Filing Date	Filed By	
2.1	Agreement and Plan of Merger, dated February 10, 2009, between Ticketmaster Entertainment, Inc. and Live Nation, Inc.	8-K	001-32601	2.1	2/13/2009	Live Nation Entertainment, Inc.	
10.1	Fifth Supplemental Indenture, dated as of April 30, 2010, to the Indenture, dated July 28, 2008, among Ticketmaster, the Guarantors named therein and The Bank of New York Mellon, as Trustee					X	
10.2	Sixth Supplemental Indenture, entered into as of May 6, 2010, to the Indenture, dated July 28, 2008, among Ticketmaster, the Guarantors named therein and The Bank of New York Mellon, as Trustee					X	
10.3	Indenture dated as of May 6, 2010 by and among Live Nation Entertainment, Inc., the Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as Trustee					X	
10.4	Credit Agreement entered into as of May 6, 2010, among Live Nation Entertainment, Inc., the Foreign Borrowers party thereto, the Guarantors identified therein, the Lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, JPMorgan Chase Bank, N.A., Toronto Branch, as Canadian Agent and J.P. Morgan Europe Limited, as London Agent					X	
31.1	Certification of Chief Executive Officer.					X	
31.2	Certification of Chief Financial Officer.					X	
32.1	Section 1350 Certification of Chief Executive Officer.					X	
32.2	Section 1350 Certification of Chief Financial Officer.					X	





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**EXHIBIT INDEX**

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31.1	Certification of Chief Executive Officer.					X	
31.2	Certification of Chief Financial Officer.					X	
32.1	Section 1350 Certification of Chief Executive Officer.					X	
32.2	Section 1350 Certification of Chief Financial Officer.					X	

**FIFTH SUPPLEMENTAL INDENTURE**

**Dated as of April 30, 2010**

**Among**

**TICKETMASTER ENTERTAINMENT LLC,**

**TICKETMASTER NOTECO, INC.**

**The Guarantors Party Hereto**

**And**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,**

**as Trustee**

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THIS FIFTH SUPPLEMENTAL INDENTURE (this “**Fifth Supplemental Indenture**”), entered into as of April 30, 2010, among **TICKETMASTER ENTERTAINMENT LLC**, a Delaware limited liability company (the “**LLC Issuer**”), **TICKETMASTER NOTECO, INC.**, a Delaware corporation (the “**Corp Issuer**,” and, collectively with the LLC Issuer, the “**Issuers**”), the guarantors party hereto (the “**Guarantors**”), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, as trustee (the “**Trustee**”).

## RECITALS

WHEREAS, the Issuers, the guarantors named therein and the Trustee are parties to an Indenture, dated as of July 28, 2008, as supplemented by the First Supplemental Indenture, dated as of August 20, 2008, the Second Supplemental Indenture, dated as of April 30, 2009, the Third Supplemental Indenture, dated as of July 23, 2009, and the Fourth Supplemental Indenture, dated as of January 25, 2010 (as so supplemented, the “**Indenture**”), relating to the Issuers’ 10.75% Senior Notes due 2016 (the “**Notes**”);

WHEREAS, pursuant to that certain consent solicitation statement dated April 22, 2010 (the “**Consent Solicitation Statement**”), Live Nation Entertainment, Inc. (the “**Parent**”) solicited the consents of the holders of the Notes to certain proposed amendments;

WHEREAS, the approval of the holders of a majority of the aggregate principal amount of the Notes outstanding is sufficient to amend the terms of the Indenture as set forth herein;

WHEREAS, having received the approval of the holders of at least a majority of the aggregate principal amount of the Notes outstanding pursuant to Section 9.02 of the Indenture, the Issuers and the Trustee desire to amend the Indenture, as provided hereinafter; and

WHEREAS, the Issuers and the Guarantors have requested that the Trustee execute and deliver this Fifth Supplemental Indenture; and

WHEREAS, all things necessary have been done to make this Fifth Supplemental Indenture, when executed and delivered by the Issuers and the Guarantors, the legal, valid and binding agreement of the Issuers and the Guarantors, in accordance with its terms.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Fifth Supplemental Indenture hereby agree as follows:

## ARTICLE I

Section 1.1 Capitalized Terms. Capitalized terms used herein and not otherwise amended or defined herein are used as defined in the Indenture.

Section 1.2 Deletion of Certain Definitions. Each of the following definitions set forth in Section 1.01 of the Indenture is hereby deleted in its entirety and all references in the Indenture to such definitions shall also be deleted in their entirety:

- *Domestic Cash Amount;*

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- *Foreign Cash Amount*;
  - *Permitted Holder*;
  - *Specified Affiliate Payments*; and
  - *Spin Off*.

Section 1.3 Addition of Certain Definitions. Each of the following definitions is hereby added in its entirety to the Indenture:

- “*Acquisition*” means the acquisition of Ticketmaster Entertainment, Inc. by Live Nation Entertainment, Inc.;
- “*Designated Preferred Stock*” means Preferred Equity Interests of the Issuer (other than Disqualified Stock), that is issued for cash (other than to any of the Issuer’s Subsidiaries or an employee stock plan or trust established by the Issuer or any of its Subsidiaries) and is so designated as Designated Preferred Stock, pursuant to an Officers’ Certificate, on the date of issuance thereof, the cash proceeds of which are excluded from the calculation set forth in clause (3) of Section 4.07(a);
- “*Fair Market Value*” means the value (which, for the avoidance of doubt, will take into account any liabilities associated with related assets) that would be paid by a willing buyer to an unaffiliated willing seller in an arm’s length transaction not involving distress or compulsion of either party, determined in good faith by the Board of Directors of the Issuer (unless otherwise provided in this Indenture);
- “*Investment Grade Securities*” means:
  - (a) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents) and in each case with maturities not exceeding two years from the date of acquisition;
  - (b) securities that have a rating equal to or higher than Baa3 (or the equivalent) by Moody’s or BBB- (or the equivalent) by S&P, or an equivalent rating by any other “nationally recognized statistical rating organization” within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act;
  - (c) investments in any fund that invests at least 95% of its assets in investments of the type described in clauses (a) and (b) which fund may also hold immaterial amounts of cash pending investment and/or distribution; and

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(d) corresponding instruments in countries other than the United States customarily utilized for high quality investments and in each case with maturities not exceeding two years from the date of acquisition; and

- “*New Notes*” means Live Nation Entertainment, Inc.’s 8 1/8% Senior Notes due 2018.

Section 1.4 Amendment of Certain Definitions. Each of the following definitions set forth in Section 1.01 of the Indenture is hereby deleted in its entirety and replaced with the following:

- “*Acquired Debt*” means, with respect to any specified person, Indebtedness of any other Person existing at the time such other Person merges with or into or becomes a Subsidiary of such specified Person or is a Subsidiary of such other Person at the time of such merger or acquisition, or Indebtedness incurred by such Person in connection with the acquisition of assets;
- “*Asset Sale*” means any sale, issuance, conveyance, transfer, lease, assignment or other disposition by the Issuer or any Restricted Subsidiary to any Person other than the Issuer or any Restricted Subsidiary (including by means of a merger or consolidation or through the issuance or sale of Equity Interests of Restricted Subsidiaries (other than Preferred Equity Interests of Restricted Subsidiaries issued in compliance with Section 4.09 and other than directors’ qualifying shares or shares or interests required to be held by foreign nationals or third parties to the extent required by applicable law) (collectively, for purposes of this definition, a “*transfer*”), in one transaction or a series of related transactions, of any assets of the Issuer or any of its Restricted Subsidiaries (other than sales of inventory and other transfers in the ordinary course of business). For purposes of this definition, the term “*Asset Sale*” shall not include:
  - (a) transfers of cash or Cash Equivalents;
  - (b) transfers of assets of the Issuer (including Equity Interests) that are governed by, and made in accordance with, the first paragraph of Section 5.01;
  - (c) Permitted Investments and Restricted Payments not prohibited under Section 4.07;
  - (d) the creation of or realization on any Lien not prohibited under this Indenture;
  - (e) transfers of damaged, worn-out or obsolete equipment or assets that, in the Issuer’s reasonable judgment, are no longer used or useful in the business of the Issuer or its Restricted Subsidiaries;

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(f) sales or grants of licenses or sublicenses to use the patents, trade secrets, know-how and other intellectual property, or abandonment thereof, and licenses, leases or subleases of other assets, of the Issuer or any Restricted Subsidiary to the extent not materially interfering with the business of Issuer and the Restricted Subsidiaries;

(g) any transfer or series of related transfers that, but for this clause, would be Asset Sales, if the aggregate Fair Market Value of the assets transferred in such transaction or series of related transactions does not exceed \$10.0 million;

(h) any sale of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(i) the sale, transfer or other disposition of Hedging Obligations incurred in accordance with this Indenture;

(j) sales of assets received by the Issuer or any of its Restricted Subsidiaries upon the foreclosure on a Lien;

(k) the sale of any property in a sale-leaseback transaction within six months of the acquisition of such property; and

(l) (i) any loss or destruction of or damage to any property or asset or receipt of insurance proceeds in connection therewith or (ii) any institution of a proceeding for, or actual condemnation, seizure or taking by exercise of the power of eminent domain or otherwise of such property or asset, or confiscation of such property or asset or the requisition of the use of such property or asset or settlement in lieu of the foregoing;

- “*Change of Control*” means the occurrence of one or more of the following events:

(a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Exchange Act and the rules of the Commission thereunder as in effect on the date of this Indenture) of Equity Interests representing more than 50% (on a fully diluted basis) of the total voting power represented by the issued and outstanding Equity Interests of the Issuer then entitled to vote in the election of the Board of Directors of the Issuer generally; or

(b) there shall be consummated any share exchange, consolidation or merger of the Issuer pursuant to which the Issuer’s Equity Interests entitled to vote in the election of the Board of Directors of the Issuer generally would be converted into cash, securities or other property, or the Issuer sells, assigns, conveys, transfers, leases or otherwise disposes

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of all or substantially all of its assets, in each case other than pursuant to a share exchange, consolidation or merger of the Issuer in which the holders of the Issuer's Equity Interests entitled to vote in the election of the Board of Directors of the Issuer generally immediately prior to the share exchange, consolidation or merger have, directly or indirectly, at least a majority of the total voting power in the aggregate of all classes of Equity Interests of the continuing or surviving entity entitled to vote in the election of the Board of Directors of such person generally immediately after the share exchange, consolidation or merger.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control if (1) the Issuer becomes a direct or indirect wholly-owned subsidiary (the "*Sub Entity*") of a holding company and (2) holders of securities that represented 100% of the voting power of the Equity Interests of the Issuer immediately prior to such transaction (or other securities into which such securities are converted as part of such merger or consolidation transaction), other than holders receiving solely cash in lieu of fractional shares, own directly or indirectly at least a majority of the voting power of the Equity Interests of such holding company (and no person or group owns, directly or indirectly, a majority of the voting power of the Equity Interests of such holding company); *provided* that, upon the consummation of any such transaction, "Change of Control" shall thereafter include any Change of Control of any direct or indirect parent of the Sub Entity;

- "*Consolidated Cash Flow*" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period (i) *plus*, to the extent deducted in computing Consolidated Net Income:
  - (a) provision for taxes based on income, profits or capital;
  - (b) Consolidated Interest Expense;
  - (c) Consolidated Non-Cash Charges of such Person for such period;
  - (d) any extraordinary, non-recurring or unusual losses or expenses, including, without limitation, (i) salary, benefit and other direct savings resulting from workforce reductions by such Person implemented during such period, (ii) severance or relocation costs or expenses and fees and restructuring costs of such Person during such period, (iii) costs and expenses incurred after the date of Issue Date related to employment of terminated employees incurred by such Person during such period, (iv) costs or charges (other than Consolidated Non-Cash Charges) incurred in connection with any Equity Offering, Permitted Investment, acquisition, disposition, recapitalization or incurrence or repayment of Indebtedness permitted under this Indenture, including a refinancing thereof, and including any such costs and charges incurred in connection



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with the Transactions (in each case whether or not successful), and (v) losses realized in connection with any business disposition or any disposition of assets outside the ordinary course of business or the disposition of securities, in each case to the extent deducted in computing such Consolidated Net Income and without regard to any limitations of Item 10(e) of Regulation S-K;

(e) any losses in respect of post-retirement benefits of such Person, as a result of the application of Financial Accounting Standards Board Statement No. 106, to the extent that such losses were deducted in computing such Consolidated Net Income; and

(f) any proceeds from business interruption insurance received by such Person during such period, to the extent the associated losses arising out of the event that resulted in the payment of such business interruption insurance proceeds were included in computing Consolidated Net Income;

(ii) *minus*, to the extent not excluded from the calculation of Consolidated Net Income (x) non-cash gain or income of such Person for such period (except to the extent representing an accrual for future cash receipts or a reversal of a reserve that, when established, was not eligible to be a Consolidated Non-Cash Charge) and (y) any extraordinary, non-recurring or unusual gains or income and without regard to any limitations of Item 10(e) of Regulation S-K;

- “*Consolidated Fixed Charge Coverage Ratio*” means, with respect to any Person, the ratio of Consolidated Cash Flow of such Person during the most recently ended four full fiscal quarters (the “*Measurement Period*”) ending prior to the date of the transaction giving rise to the need to calculate the Consolidated Fixed Charge Coverage Ratio for which financial statements are available (the “*Transaction Date*”) to Consolidated Fixed Charges of such Person for the Measurement Period. In addition to and without limitation of the foregoing, for purposes of this definition, “Consolidated Cash Flow” and “Consolidated Fixed Charges” shall be calculated after giving effect on a *pro forma* basis for the period of such calculation to:

(1) the incurrence or repayment of any Indebtedness of such Person or any of its Restricted Subsidiaries (and the application of the proceeds thereof) giving rise to the need to make such calculation and any incurrence or repayment of other Indebtedness (and the application of the proceeds thereof), other than the incurrence or repayment of Indebtedness in the ordinary course of business to finance seasonal fluctuations in working capital needs pursuant to working capital facilities, occurring during the Measurement Period or at any time subsequent to the last day of the Measurement Period and on or prior to the Transaction Date, as if such incurrence or repayment, as the case may

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be (and the application of the proceeds thereof), occurred on the first day of the Measurement Period; and

(2) (x) any Asset Sales or other dispositions or Asset Acquisitions (including, without limitation, any Asset Acquisition giving rise to the need to make such calculation as a result of such person or one of its Restricted Subsidiaries (including any person who becomes a Restricted Subsidiary as a result of the Asset Acquisition) incurring, assuming or otherwise being liable for Acquired Debt and also including any Consolidated Cash Flow attributable to the assets which are the subject of the Asset Acquisition or Asset Sale or other disposition during the Measurement Period) and (y) operational changes that the Issuer or any of its Restricted Subsidiaries have both determined to make and have made, in each case occurring during the Measurement Period or at any time subsequent to the last day of the Measurement Period and on or prior to the Transaction Date, as if such Asset Sale or other disposition or Asset Acquisition (including the incurrence, assumption or liability for any such Acquired Debt) or operational change occurred on the first day of the Measurement Period, in each case giving effect to any Pro Forma Cost Savings.

For purposes of this definition, whenever *pro forma* effect is to be given to any *pro forma* event, the *pro forma* calculations will be made in good faith by a responsible financial or accounting officer of the Issuer as set forth in an Officers' Certificate delivered to the Trustee. Furthermore, in calculating "Consolidated Fixed Charges" for purposes of determining the denominator (but not the numerator) of this "Consolidated Fixed Charge Coverage Ratio":

(1) interest on outstanding Indebtedness determined on a fluctuating basis as of the Transaction Date and which will continue to be so determined thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness in effect on the Transaction Date; and

(2) notwithstanding clause (1) above, interest on Indebtedness determined on a fluctuating basis, to the extent such interest is covered by agreements relating to Hedging Obligations, shall be deemed to accrue at the rate per annum resulting after giving effect to the operation of such agreements;

• "Consolidated Fixed Charges" means, with respect to any Person for any period, the sum, without duplication, of:

(1) Consolidated Interest Expense for such period; *plus*

(2) the amount of all dividend payments on any series of Disqualified Stock of such Person or Preferred Equity Interest of such Person's

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Restricted Subsidiaries (other than dividends paid in Qualified Capital Stock and other than dividends paid by a Restricted Subsidiary of such Person to such Person or to a Restricted Subsidiary of such Person) paid, accrued or scheduled to be paid or accrued during such; *minus*

(3) the consolidated interest income of such Person and its Restricted Subsidiaries for such period, whether received or accrued, to the extent such income was included in determining Consolidated Net Income;

- “*Consolidated Interest Expense*” means, with respect to any Person for any period, consolidated interest expense of such Person for such period, whether paid or accrued, including amortization of original issue discount and its Restricted Subsidiaries, noncash interest payments and the interest component of Capital Lease Obligations, on a consolidated basis determined in accordance with GAAP, but excluding amortization or write-off of deferred financing fees and expensing of any other financing fees, and the non-cash portion of interest expense resulting from the reduction in the carrying value under purchase accounting of outstanding Indebtedness; *provided* that, for purposes of calculating consolidated interest expense, no effect will be given to the discount and/or premium resulting from the bifurcation of derivatives in accordance with the Financial Accounting Standards Board Accounting Standards Codification as a result of the terms of the Indebtedness to which such consolidated interest expense applies; *provided, further*, that with respect to the calculation of the consolidated interest expense of the Issuer, the interest expense of Unrestricted Subsidiaries and any Person that is not a Subsidiary shall be excluded;
- “*Consolidated Net Income*” means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP, and without reduction for any dividends on Preferred Equity Interests; *provided, however*, that:
  - (a) the Net Income of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person, in the case of a gain, or to the extent of any contributions or other payments by the referent Person, in the case of a loss;
  - (b) the Net Income of any Person that is a Subsidiary that is not a Restricted Subsidiary shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person;
  - (c) solely for purposes of Section 4.07, the Net Income of any Subsidiary of such person that is not a Guarantor shall be excluded to the extent that the declaration or payment of dividends or similar distributions is not at the time permitted by operation of the terms of its charter or bylaws or

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any other agreement, instrument, judgment, decree, order, statute, rule or government regulation to which it is subject; *provided* that the Consolidated Net Income of such Person will be increased by the amount of dividends or distributions or other payments actually paid in cash (or converted to cash) by any such Subsidiary to such Person in respect of such period, to the extent not already included therein;

(d) the cumulative effect of a change in accounting principles shall be excluded;

(e) any after-tax effect of income (loss) (x) from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments, (y) from sales or dispositions of assets (other than in the ordinary course of business), or (z) that is extraordinary, non-recurring or unusual (without regard to any limitations of Item 10(e) of Regulation S-K), in each case, shall be excluded;

(f) any non-cash compensation expense recorded from grants and periodic remeasurements of stock appreciation or similar rights, stock options, restricted stock or other rights shall be excluded;

(g) any non-cash impairment charge or asset write-off, in each case, pursuant to GAAP, and the amortization of intangibles arising pursuant to GAAP shall be excluded;

(h) any fees, expenses and other charges in connection with the Transactions or any acquisition, investment, asset disposition, issuance or repayment of debt, issuance of Equity Interests, refinancing transaction or amendment or other modification of any debt instrument shall be excluded; and

(i) gains and losses resulting solely from fluctuations in foreign currencies shall be excluded;

- “*Consolidated Non-Cash Charges*” means, with respect to any Person for any period, the aggregate depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period), impairment, compensation, rent, other non-cash expenses and write-offs and write-downs of assets (including non-cash charges, losses or expenses attributable to the movement in the mark-to-market valuation of Hedging Obligations pursuant to Financial Accounting Standards Board Statement No. 133 or in connection with the early extinguishment of Hedging Obligations) of such Person and its Restricted Subsidiaries reducing Consolidated Net Income of such Person for such period on a consolidated basis and otherwise determined in accordance with GAAP, but excluding (i) any such charge which consists of or requires an accrual of, or cash reserve for, anticipated cash charges for any future period and (ii) the non-cash impact of recording the change in fair

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value of any embedded derivatives in accordance with the Financial Accounting Standards Board Accounting Standards Codification as a result of the terms of any agreement or instrument to which such Consolidated Non-Cash Charges relate;

- “*continuing*” means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived;
- “*Credit Agreement*” means the credit agreement dated the Issue Date, by and among the Live Nation Entertainment, Inc., as borrower, certain Foreign Subsidiaries, as foreign borrowers, the lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as administrative agent, and Goldman Sachs Credit Partners, L.P. and Deutsche Bank Trust Company Americas, as co-syndication agents, together with the related documents thereto (including, without limitation, any guarantee agreements and security documents) as such agreement or facility may be amended (including any amendment and restatement thereof), supplemented or otherwise modified from time to time, including any agreement exchanging, extending the maturity of, refinancing, renewing, replacing, substituting or otherwise restructuring, whether in the bank or debt capital markets (or combination thereof) (including increasing the amount of available borrowings thereunder or adding or removing Subsidiaries as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement or facility or any successor or replacement agreement or facility;
- “*Credit Facilities*” means one or more credit agreements or debt facilities to which Live Nation Entertainment, Inc. and/or one or more of its Restricted Subsidiaries is party from time to time (including without limitation the Credit Agreement), in each case with banks, investment banks, insurance companies, mutual funds or other lenders or institutional investors providing for revolving credit loans, term loans, debt securities, bankers acceptances, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case as such agreements or facilities may be amended (including any amendment and restatement thereof), supplemented or otherwise modified from time to time, including any agreement exchanging, extending the maturity of, refinancing, renewing, replacing, substituting or otherwise restructuring, whether in the bank or debt capital markets (or combination thereof) (including increasing the amount of available borrowings thereunder or adding or removing Subsidiaries as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement or facility or any successor or replacement agreement or facility;
- “*Existing Indebtedness*” means any Indebtedness (other than the Notes and the Guarantees) of the Issuer and its Subsidiaries in existence on the Issue Date after giving effect to the consummation of the Transactions;

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- “*Issue Date*” means May 6, 2010;
  - “*Permitted Investments*” means:
    - (a) Investments in the Issuer or in a Restricted Subsidiary;
    - (b) Investments in Cash Equivalents, Marketable Securities and Investment Grade Securities;
    - (c) any guarantee of obligations of the Issuer or a Restricted Subsidiary permitted by Section 4.09;
    - (d) Investments by the Issuer or any of its Subsidiaries in a Person if, as a result of such Investment: (i) such Person becomes a Restricted Subsidiary or (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, us or a Restricted Subsidiary;
    - (e) Investments received in settlement of debts and owing to the Issuer or any of its Restricted Subsidiaries, in satisfaction of judgments, in a foreclosure of a Lien, or as payment on a claim made in connection with any bankruptcy, liquidation, receivership or other insolvency proceeding;
    - (f) any Investment existing on, or made pursuant to binding commitments existing on, the Issue Date and any Investment consisting of an extension, modification, renewal, replacement, refunding or refinancing of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; provided that the amount of any such Investment may be increased (i) as required by the terms of such Investment as in existence on the Issue Date or (ii) as otherwise permitted under this Indenture;
    - (g) Investments in any Person to the extent such Investment represents the non-cash portion of the consideration received for an Asset Sale that was made pursuant to and in compliance with Section 4.10 or for an asset disposition that does not constitute an Asset Sale;
    - (h) loans or advances or other similar transactions with customers, distributors, clients, developers, suppliers or purchasers or sellers of goods or services, in each case, in the ordinary course of business, regardless of frequency;
    - (i) other Investments in an amount not to exceed the greater of \$100.0 million and 2.0% of Consolidated Total Assets at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value), at any one time outstanding for all Investments made

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after the Issue Date; provided, however, that if any Investment pursuant to this clause (i) is made in any Person that is not a Restricted Subsidiary of the Issuer at the date of the making of such Investment and such Person becomes a Restricted Subsidiary of the Issuer after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (a) above and shall cease to have been made pursuant to this clause (i) for so long as such Person continues to be a Restricted Subsidiary;

(j) any Investment solely in exchange for, or made with the proceeds of, the issuance of the Issuer's Qualified Capital Stock;

(k) any Investment in connection with Hedging Obligations and Foreign Currency Obligations otherwise permitted under this Indenture;

(l) any contribution of any Investment in a joint venture or partnership that is not a Restricted Subsidiary to a Person that is not a Restricted Subsidiary in exchange for an Investment in the Person to whom such contribution is made;

(m) any Investment in any joint venture engaged in a Permitted Business, including without limitation by contribution of assets of any Restricted Subsidiary, not to exceed \$75.0 million outstanding at any time for Investments made after the Issue Date (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(n) any Investment acquired after the Issue Date as a result of the acquisition by the Issuer or any of its Restricted Subsidiaries of another Person, including by way of a merger, amalgamation or consolidation with or into the Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by this Indenture after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(o) any Investment consisting of deposits, prepayment and other credits to artists, suppliers or landlords made in the ordinary course of business;

(p) guaranties made in the ordinary course of business of obligations owed to artists, landlords, suppliers, customers, and licensees of the Issuer or any of its Subsidiaries;

(q) loans and advances to officers, directors and employees for business-related travel expenses, moving and relocation expenses and other similar expenses, in each case incurred in the ordinary course of business;

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(r) any Investment consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons; and

(s) any Investment consisting of purchases and acquisitions of inventory, supplies, materials and equipment or purchases of contract rights or licenses of intellectual property or leases, in each case, in the ordinary course of business;

• “Permitted Liens” means:

(a) Liens securing the Notes and Liens securing any Guarantee;

(b) Liens securing (x) Indebtedness under any Credit Facility (and related Hedging Obligations and cash management obligations to the extent such Liens arise under the definitive documentation governing such Indebtedness and the incurrence of such obligations is not otherwise prohibited by this Indenture) permitted by clauses (2) and (11) of Section 4.09(b) and (y) other Indebtedness permitted under Section 4.09; *provided* that in the case of any such Indebtedness described in this subclause (y), such Indebtedness, when aggregated with the amount of Indebtedness of the Issuer and the Guarantors which is secured by a Lien, does not cause the Consolidated Secured Indebtedness Leverage Ratio to exceed 2.75 to 1.0 as of the last day of the most recent quarter for which internal financial statements are available on the date such Indebtedness is incurred;

(c) Liens securing (i) Hedging Obligations and Foreign Currency Obligations permitted to be incurred under Section 4.09 and (ii) cash management obligations not otherwise prohibited by this Indenture;

(d) Liens securing Purchase Money Indebtedness permitted under clause (6) of Section 4.09(b); *provided* that such Liens do not extend to any assets of the Issuer or its Restricted Subsidiaries other than the assets so acquired, constructed, installed or improved, products and proceeds thereof and insurance proceeds with respect thereto;

(e) Liens on property of a person existing at the time such person is merged into or consolidated with the Issuer or any of its Restricted Subsidiaries; *provided* that such Liens were not incurred in connection with, or in contemplation of, such merger or consolidation and do not apply to any assets other than the assets of the Person acquired in such merger or consolidation;

(f) Liens on property of an Unrestricted Subsidiary at the time that it is designated as a Restricted Subsidiary pursuant to the definition of



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“Unrestricted Subsidiary”; *provided* that such Liens were not incurred in connection with, or contemplation of, such designation;

(g) Liens on property existing at the time of acquisition thereof by the Issuer or any Restricted Subsidiary of the Issuer; *provided* that such Liens were not incurred in connection with, or in contemplation of, such acquisition and do not extend to any assets of the Issuer or any of its Restricted Subsidiaries other than the property so acquired, constructed, installed or improved, products and proceeds thereof and insurance proceeds with respect thereto;

(h) Liens to secure the performance of statutory obligations, surety or appeal bonds or performance bonds, or landlords’, carriers’, warehousemen’s, mechanics’, suppliers’, materialmen’s or other like Liens, in any case incurred in the ordinary course of business and with respect to amounts not yet delinquent or being contested in good faith by appropriate process of law, if a reserve or other appropriate provision, if any, as is required by GAAP is made therefor;

(i) Liens existing on the Issue Date;

(j) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings; *provided* that any reserve or other appropriate provision as shall be required in conformity with GAAP is made therefor;

(k) Liens securing Indebtedness permitted under clause (10) of Section 4.09(b); *provided* that such Liens shall not extend to assets other than the assets that secure such Indebtedness being refinanced;

(l) Liens (other than Liens created or imposed under ERISA) incurred or deposits made by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(m) easements, rights-of-way, covenants, restrictions (including zoning restrictions), minor defects or irregularities in title and other similar charges or encumbrances not, in any material respect, impairing the use of the encumbered property for its intended purposes;

(n) licenses, sublicenses, leases or subleases granted to others not interfering in any material respect with the business of the Issuer or its Restricted Subsidiaries;

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- (o) 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 and Liens deemed to exist in connection with Investments in repurchase agreements that constitute Cash Equivalents;
  - (p) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;
  - (q) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;
  - (r) Liens not provided for in clauses (a) through (q) above so long as the Notes are secured by the assets subject to such Liens on an equal and ratable basis or on a basis prior to such Liens; provided that to the extent that such Lien secured Indebtedness that is subordinated to the Notes, such Lien shall be subordinated to and be later in priority than the Notes on the same basis;
  - (s) Liens securing Indebtedness of any Foreign Subsidiary incurred in accordance with clause (15) of Section 4.09(b);
  - (t) Liens in favor of the Issuer or any Guarantor;
  - (u) Liens securing reimbursement obligations with respect to commercial letters of credit which solely encumber goods and/or documents of title and other property relating to such letters of credit and products and proceeds thereof;
  - (v) extensions, renewals or refundings of any Liens referred to in clause (e), (g) or (i) above; provided that any such extension, renewal or refunding does not extend to any assets or secure any Indebtedness not securing or secured by the Liens being extended, renewed or refinanced;
  - (w) other Liens securing Indebtedness that is permitted by the terms of this Indenture to be outstanding having an aggregate principal amount at anyone time outstanding not to exceed \$75.0 million;
  - (x) Liens incurred to secure any treasury management arrangement; and
  - (y) Liens on Equity Interests of Unrestricted Subsidiaries;
- “*Pro Forma Cost Savings*” means, with respect to any period, the reduction in net costs and expenses and related adjustments that:
    - (i) were directly attributable to an acquisition, merger, consolidation, disposition or operational change that occurred during the four-quarter reference period or subsequent to the four-quarter reference period and

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on or prior to the date of determination and calculated on a basis that is consistent with Regulation S-X under the Securities Act;

(ii) were actually implemented by the business that was the subject of any such acquisition, merger, consolidation, disposition or operational change or by any related business of the Issuer or any Restricted Subsidiary with which such business is proposed to be or is being or has been integrated within 12 months after the date of the acquisition, merger, consolidation, disposition or operational change and prior to the date of determination that are supportable and quantifiable by the underlying accounting records of any such business; or

(iii) relate to (x) either Ticketmaster Entertainment or Live Nation in connection with the Acquisition or (y) the business that is the subject of any such acquisition, merger, consolidation or disposition or any related business of the Issuer or any Restricted Subsidiary with which such business is proposed to be or is being or has been integrated and that are probable in the reasonable judgment of the Issuer based upon specifically identifiable actions to be taken within 12 months of the date of the acquisition, merger, consolidation or disposition, in each case regardless of whether such reductions and related adjustments could then be reflected in pro forma financial statements in accordance with Regulation S-X under the Securities Act or any other regulation or policy related thereto, as if all such reductions and related adjustments had been effected as of the beginning of such period. Pro Forma Cost Savings described above shall be accompanied by an Officers' Certificate delivered to the Trustee from a responsible financial or accounting officer of the Issuer that outlines the actions taken or to be taken, the net cost savings or operating improvements achieved or expected to be achieved from such actions and that, in the case of clause (iii) above, such savings have been determined by the Issuer to be reasonably probable;

- “*Restricted Subsidiary*” or “*Restricted Subsidiaries*” means any Subsidiary, other than Unrestricted Subsidiaries;
- “*Subsidiary*” or “*Subsidiaries*” means, with respect to any Person, any corporation, limited liability company, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof or any Person that is a consolidated subsidiary of the Issuer under GAAP and designated as a Subsidiary in a certificate to the Trustee by a responsible financial or accounting officer of the Issuer;

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- “*Transactions*” means the Acquisition, the transactions described in the offering memorandum for the New Notes under the caption “Summary—Related transactions,” the issuance of the New Notes on the Issue Date, the initial borrowings under the Credit Agreement and the other transactions undertaken in connection with the foregoing as to the extent not inconsistent with the offering memorandum for the New Notes or the *pro forma* financial statements contained or incorporated by reference in the offering memorandum for the New Notes; and
  - “*Unrestricted Subsidiary*” or “*Unrestricted Subsidiaries*” means: (A) Echomusic, LLC; (B) any Subsidiary designated as an Unrestricted Subsidiary in a resolution of the Issuer’s Board of Directors in accordance with the instructions set forth below; and (C) any Subsidiary of an Unrestricted Subsidiary.

The Issuer’s Board of Directors may designate any Subsidiary (including any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary so long as:

(a) no portion of the Indebtedness or any other obligation (contingent or otherwise) of which, immediately after such designation: (i) is guaranteed by the Issuer or any of its Restricted Subsidiaries; (ii) is recourse to the Issuer or any of its Restricted Subsidiaries; or (iii) subjects any property or asset of the Issuer or any of its Restricted Subsidiaries to satisfaction thereof;

(b) except as otherwise permitted by this Indenture (including by Section 4.11), neither the Issuer nor any other Subsidiary (other than another Unrestricted Subsidiary) has any contract, agreement, arrangement or understanding with such Subsidiary, written or oral, other than on terms no less favorable to the Issuer or such other Subsidiary than those that might be obtained at the time from Persons who are not the Issuer’s Affiliates; and

(c) neither the Issuer nor any other Subsidiary (other than another Unrestricted Subsidiary) has any obligation: (i) to subscribe for additional shares of Capital Stock of such Subsidiary or other equity interests therein; or (ii) to maintain or preserve such Subsidiary’s financial condition or to cause such Subsidiary to achieve certain levels of operating results.

If at any time after the Issue Date the Issuer designate an additional Subsidiary as an Unrestricted Subsidiary, the Issuer will be deemed to have made a Restricted Investment in an amount equal to the Fair Market Value (as determined in good faith by the Issuer’s Board of Directors evidenced by a resolution of the Issuer’s Board of Directors and set forth in an Officers’ Certificate delivered to the Trustee no later than ten business days following a request from the Trustee) of such Subsidiary. An Unrestricted Subsidiary may be designated as a Restricted Subsidiary if, at the time of

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such designation after giving *pro forma* effect thereto, no Default or Event of Default shall have occurred or be continuing.

Section 1.5 Deletion of Section 4.18. Section 4.18 (*Payments for Consents*) is hereby deleted in its entirety and replaced with “Intentionally Omitted” and all references in the Indenture to such section shall also be deleted in its entirety.

Section 1.6 Amendment of Section 4.03(b). Section 4.03(b) (*Reports*) of the Indenture is hereby deleted in its entirety and replaced with the following:

(b) The Issuer will file the information described in Section 4.03(a) with the Commission to the extent that the Commission is accepting such filings. In addition, for so long as any Notes remain outstanding during any period when the Issuer is not subject to Section 13 or 15(d) of the Exchange Act, the Issuer will furnish to the Holders of the Notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. In addition, following the first full fiscal quarter after the date of the indenture of the New Notes, so long as any Notes are outstanding the Issuer will use commercially reasonable efforts to (i) within 15 business days after furnishing the reports required by the previous sentence above, hold a conference call to discuss such reports, and (ii) issue a press release prior to the date of such conference call, announcing the time and date and either including information necessary to access the call or directing Holders, prospective investors, broker-dealers and securities analysts to contact the appropriate person at the Issuer to obtain such information; *provided*, that the Issuer may satisfy the requirements of clauses (i) and (ii) of this Section 4.03(b) by issuing its regular quarterly earnings release and conducting its regular investor conference calls.

Section 1.7 Amendment of Section 4.07. Section 4.07 (*Limitation on Restricted Payments*) is hereby deleted in its entirety and replaced with the following:

(a) Neither the Issuer nor any of its Restricted Subsidiaries may, directly or indirectly:

(i) pay any dividend or make any distribution on account of any Equity Interests of the Issuer other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Issuer;

(ii) purchase, redeem or otherwise acquire or retire for value any of the Issuer’s Equity Interests or any Subordinated Indebtedness, other than (i) Subordinated Indebtedness within one year of the stated maturity date thereof and (ii) any such Equity Interests or Subordinated Indebtedness owned by the Issuer or by any Restricted Subsidiary;

(iii) pay any dividend or make any distribution on account of any Equity Interests of any Restricted Subsidiary, other than:

(A) to the Issuer or any Restricted Subsidiary; or

(B) to all holders of any class or series of Equity Interests of such Restricted Subsidiary on a pro rata basis; or

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(iv) make any Restricted Investment (all such prohibited payments and other actions set forth in clauses (i) through (iv) being collectively referred to as “Restricted Payments”), unless, at the time of such Restricted Payment:

(1) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(2) after giving effect to the incurrence of any Indebtedness the net proceeds of which are used to finance such Restricted Payment, the Issuer is able to incur at least \$1.00 of additional Indebtedness in compliance with Section 4.09(a); and

(3) such Restricted Payment, together with the aggregate of all other Restricted Payments made after the Issue Date, is less than the sum of:

(A) 50% of the Consolidated Net Income of the Issuer for the period (taken as one accounting period) from the beginning of the quarter commencing after the Issue Date, to the end of the Issuer’s most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income shall be a deficit, minus 100% of such aggregate deficit); *plus*

(B) an amount equal to the sum of (x) 100% of the aggregate net cash proceeds and the Fair Market Value of any property or assets received by the Issuer from the issue or sale of Equity Interests (other than Disqualified Stock) of the Issuer (other than Equity Interests sold to any of the Issuer’s Subsidiaries), following the Issue Date and (y) the aggregate amount by which Indebtedness (other than any Indebtedness owed to the Issuer or a Subsidiary) incurred by the Issuer or any Restricted Subsidiary subsequent to the Issue Date is reduced on the Issuer’s balance sheet upon the conversion or exchange into Qualified Capital Stock (less the amount of any cash, or the Fair Market Value of assets, distributed by the Issuer or any Restricted Subsidiary upon such conversion or exchange); *plus*

(C) if any Unrestricted Subsidiary is designated by the Issuer as a Restricted Subsidiary, an amount equal to the Fair Market Value of the net Investment by the Issuer or a Restricted Subsidiary in such Subsidiary at the time of such designation; *provided, however*, that the foregoing amount shall not exceed the amount of Restricted Investments made by the Issuer or any Restricted Subsidiary in any such Unrestricted Subsidiary following the Issue Date which reduced the amount available for Restricted Payments pursuant to this clause (3) less amounts received by the Issuer or any Restricted Subsidiary from such Unrestricted Subsidiary that increased the amount available for Restricted Payments pursuant to clause (D) below; *plus*

(D) 100% of any cash dividends and other cash distributions and the Fair Market Value of property or assets other than cash received by the Issuer and the Issuer’s Restricted Subsidiaries from an Unrestricted Subsidiary since the Issue Date to the extent not included in Consolidated Cash Flow and 100% of the net proceeds received by the Issuer or any of its Restricted Subsidiaries from the sale of any Unrestricted Subsidiary; *provided, however*, that the foregoing amount shall not exceed the amount of Restricted Investments made by the Issuer or any Restricted Subsidiary in any such Unrestricted

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Subsidiary following the Issue Date which reduced the amount available for Restricted Payments pursuant to this clause (3); *plus*

(E) to the extent not included in clauses (A) through (D) above, an amount equal to the net reduction in Restricted Investments of the Issuer and the Issuer's Restricted Subsidiaries following the Issue Date resulting from payments in cash of interest on Indebtedness, dividends, or repayment of loans or advances, or other transfers of property, in each case, to the Issuer or to a Restricted Subsidiary or from the net cash proceeds from the sale, conveyance, liquidation or other disposition of any such Restricted Investment; *plus*

(F) \$100.0 million.

(b) The foregoing provisions will not prohibit the following (*provided* that with respect to clauses (9) and (10) below, no Default or Event of Default shall have occurred and be continuing):

(1) the payment of any dividend or distribution within 60 days after the date of declaration thereof, if at the date of declaration such payment would have complied with the provisions hereof;

(2) the redemption, repurchase, retirement or other acquisition of (x) any Equity Interests of the Issuer in exchange for, or out of the net proceeds of the issue or sale within 60 days of, Equity Interests (other than Disqualified Stock) of the Issuer (other than Equity Interests (other than Disqualified Stock) issued or sold to any Subsidiary) or (y) Subordinated Indebtedness of the Issuer or any Restricted Subsidiary (a) in exchange for, or out of the proceeds of the issuance and sale within 60 days of, Qualified Capital Stock, (b) in exchange for, or out of the proceeds of the incurrence within 60 days of, Refinancing Indebtedness permitted to be incurred under clause (10) of Section 4.09 or other Indebtedness permitted to be incurred under Section 4.09 or (c) with the Net Proceeds from an Asset Sale or upon a Change of Control, in each case, to the extent required by the agreement governing such Subordinated Indebtedness but only if the Issuer shall have previously applied such Net Proceeds to make an Excess Proceeds Offer or made a Change of Control Offer, as the case may be, in accordance with Sections 3.08 and 4.15 and purchased all Notes validly tendered pursuant to the relevant offer prior to redeeming or repurchasing such Subordinated Indebtedness;

(3) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Issuer or any of its Restricted Subsidiaries or shares of Preferred Equity Interests of any Restricted Subsidiary issued in accordance with Section 4.09;

(4) repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants or upon the vesting of restricted stock units if such Equity Interests represent the exercise price of such options or warrants or represent withholding taxes due upon such exercise or vesting;

(5) Restricted Payments from the net proceeds of the New Notes and the initial borrowings under the Credit Agreement as described in the offering memorandum for the New Notes;

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(6) the repurchase, retirement or other acquisition for value of Equity Interests of the Issuer or any Restricted Subsidiary of the Issuer held by any future, present or former employee, director or consultant of the Issuer, or any Subsidiary of the Issuer (or any such Person's estates or heirs) pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or other agreement or arrangement; provided that the aggregate amounts paid under this clause (6) do not exceed \$10.0 million in any calendar year;

(7) payments or distributions by the Issuer or any of its Restricted Subsidiaries to dissenting stockholders pursuant to applicable law in connection with any merger or acquisition consummated on or after the Issue Date and not prohibited by this Indenture;

(8) purchases, redemptions or acquisitions of fractional shares of Equity Interests arising out of stock dividends, splits or combinations or business combinations;

(9) the declaration and payment of dividends or distributions to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) issued after the Issue Date; *provided, however*, that (a) the Consolidated Fixed Charge Coverage Ratio for the Issuer's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such Designated Preferred Stock is issued, after giving effect to such issuance (and the payment of dividends or distributions) on a *pro forma* basis, would have been at least 2.00 to 1.00 and (b) the aggregate amount of dividends declared and paid pursuant to this clause (9) does not exceed the net cash proceeds actually received by the Issuer from any such sale of Designated Preferred Stock (other than Disqualified Stock) issued after the Issue Date; and

(10) other Restricted Payments in an amount not to exceed \$150.0 million.

(c) Restricted Payments made pursuant to Section 4.07(a) and clause (1) of Section 4.07(b) and, to the extent made with the proceeds of the issuance of Qualified Capital Stock, Investments made pursuant to clause (j) of the definition of "Permitted Investments," shall be included as Restricted Payments in any computation made pursuant to clause (3) of the second paragraph of Section 4.07(a). Restricted Payments made pursuant to clauses (2) through (10) of Section 4.07(b) shall not be included as Restricted Payments in any computation made pursuant to clause (3) of Section 4.07(a).

If the Issuer or any Restricted Subsidiary makes a Restricted Investment and the Person in which such Investment was made subsequently becomes a Restricted Subsidiary, to the extent such Investment resulted in a reduction in the amounts calculated under clause (3) of Section 4.07(a) or under any other provision of this Section 4.07, (which was not subsequently reversed), then such amount shall be increased by the amount of such reduction.



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Section 1.8 Amendment of Section 4.08(c). Section 4.08(c) (*Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries*) of the Indenture is hereby deleted in its entirety and replaced with the following:

(c) transfer any of the Issuer's properties or assets to the Issuer or any of its Subsidiaries, except for such encumbrances or restrictions existing under or by reason of:

(i) Existing Indebtedness and existing agreements as in effect on the Issue Date;

(ii) applicable law or regulation;

(iii) any instrument governing Acquired Debt any other agreement or instrument of an acquired person or any of its Subsidiaries as in effect at the time of acquisition (except to the extent such Indebtedness or other agreement or instrument was incurred in connection with, or in contemplation of, such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, or any of its Subsidiaries;

(iv) by reason of customary nonassignment provisions in leases entered into in the ordinary course of business;

(v) Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Refinancing Indebtedness are no more restrictive than those contained in the agreements governing the Indebtedness being refinanced;

(vi) this Indenture and the Notes or by the Issuer's other Indebtedness ranking *pari passu* with the Notes; *provided* that except as set forth in clause (vii) below such restrictions are no more restrictive taken as a whole than those imposed by this Indenture and the Notes;

(vii) any Credit Facility; *provided* that the restrictions therein are not (x) materially more restrictive than the agreements governing such Indebtedness as in effect on Issue Date or (y) will not affect the Issuer's ability to make principal or interest payments on the Notes (as determined by the Issuer in good faith);

(viii) customary non-assignment provisions in contracts, leases, sub-leases and licenses entered into in the ordinary course of business;

(ix) any agreement for the sale or other disposition of a Restricted Subsidiary or any of its assets in compliance with the terms of this Indenture that restricts distributions by that Restricted Subsidiary pending such sale or other disposition;

(x) provisions limiting the disposition or distribution of assets or property (including cash) in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment), and customary provisions in joint venture

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agreements and other similar agreements applicable to the Equity Interests or Indebtedness of such joint venture, which limitation is applicable only to the assets that are the subject of such agreements;

(xi) Permitted Liens;

(xii) any agreement for the sale of any Subsidiary or its assets that restricts distributions by that Subsidiary (or sale of such Subsidiary's Equity Interests) pending its sale; *provided* that during the entire period in which such encumbrance or restriction is effective, such sale (together with any other sales pending) would be permitted under the terms of this Indenture;

(xiii) secured Indebtedness otherwise permitted to be incurred by this Indenture that limits the right of the debtor to dispose of the assets securing such Indebtedness;

(xiv) Purchase Money Indebtedness that imposes restrictions of the type described in clause (c) above on the property so acquired;

(xv) any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) through (xiv) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the Issuer's good faith judgment, not materially more restrictive as a whole with respect to such encumbrances and restrictions than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing;

(xvi) Indebtedness or other agreements including, without limitation, agreements described in clause (x) of this paragraph, of any non-Guarantor Subsidiary which imposes restrictions solely on such non-Guarantor Subsidiary and its Subsidiaries; or

(xvii) any restriction on cash or other deposits or net worth imposed by customers, licensors or lessors or required by insurance, surety or bonding companies, in each case under contracts entered into in the ordinary course of business.

Section 1.9 Amendment of Section 4.09. Section 4.09 (*Limitation on Incurrence of Indebtedness*) of the Indenture is hereby deleted in its entirety and replaced with the following:

(a) The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to (collectively, "*incur*") any Indebtedness (including Acquired Debt) or permit any of its Restricted Subsidiaries to issue any Preferred Equity Interests; *provided, however*, that, notwithstanding the foregoing, the Issuer and any Restricted Subsidiary may incur Indebtedness (including Acquired Debt) and any Guarantor may issue Preferred Equity Interests, if, after giving effect to the incurrence of such Indebtedness or the issuance of such Preferred Equity Interests and the application of the net proceeds thereof on a pro forma basis, the Issuer's Consolidated Fixed Charge Coverage Ratio would have been at least 2.0 to 1.0, *provided* that Restricted Subsidiaries of the Issuer that are not Guarantors may not incur Indebtedness or issue any Preferred Equity Interests pursuant to this clause (a) if, after giving *pro*

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*forma* effect to such incurrence or issuance (including a *pro forma* application of the net proceeds therefrom), more than an aggregate of \$50.0 million of Indebtedness or Preferred Equity Interests of Restricted Subsidiaries of the Issuer that are not Guarantors would be outstanding pursuant to this clause (a).

(b) The foregoing limitation will not apply to any of the following incurrences of Indebtedness:

(1) Indebtedness represented by the Notes and the Guarantees in an aggregate principal amount not to exceed \$300.0 million and Indebtedness represented by the New Notes and the related guarantees in an aggregate principal amount not to exceed \$250.0 million;

(2) Indebtedness of the Issuer or any Restricted Subsidiary under any Credit Facility in an aggregate principal amount at any time outstanding not to exceed the excess of (x) \$1,400.0 million over (y) the aggregate principal amount of Indebtedness under the Credit Facilities permanently repaid pursuant to clause (1) of the second paragraph of Section 4.10;

(3) (x) Indebtedness among the Issuer and the Restricted Subsidiaries; provided that any such Indebtedness owed by the Issuer or a Guarantor to any Restricted Subsidiary that is not a Guarantor shall be subordinated to the prior payment in full when due of the Notes or the Guarantees, as applicable, and (y) Preferred Equity Interests of a Restricted Subsidiary held by the Issuer or a Restricted Subsidiary; provided that if such Preferred Equity Interests are issued by a Guarantor, such Preferred Equity Interests are held by the Issuer or a Guarantor;

(4) Acquired Debt of a Person incurred prior to the date upon which such Person was acquired by the Issuer or any Restricted Subsidiary (and not created in contemplation of such acquisition); *provided* that (x) the aggregate principal amount of Acquired Debt pursuant to this clause (4)(x) (when aggregated with the amount of Refinancing Indebtedness outstanding under clause (10) below in respect of Indebtedness incurred pursuant to this clause (4)(x)) shall not exceed \$100.0 million outstanding at any time or (y) after giving effect to the incurrence of such Acquired Debt on a pro forma basis, the Issuer's Consolidated Fixed Charge Coverage Ratio would have been at least 2.0 to 1.0;

(5) Existing Indebtedness;

(6) Indebtedness consisting of Purchase Money Indebtedness in an aggregate amount (when aggregated with the amount of Refinancing Indebtedness outstanding under clause (10) below in respect of Indebtedness incurred pursuant to this clause (6)) not to exceed \$100.0 million outstanding at any time;

(7) Hedging Obligations of the Issuer or any of the Restricted Subsidiaries covering Indebtedness of the Issuer or such Restricted Subsidiary; *provided, however*, that such Hedging Obligations are entered into for purposes of managing interest rate exposure of the Issuer and the Restricted Subsidiaries and not for speculative purposes;

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(8) Foreign Currency Obligations of the Issuer or any of the Restricted Subsidiaries entered into to manage exposure of the Issuer and the Restricted Subsidiaries to fluctuations in currency values and not for speculative purposes;

(9) the incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness in respect of letters of credit, bank guarantees, workers' compensation claims, self-insurance obligations, bankers' acceptances, guarantees, performance, surety, statutory, appeal, completion, export or import, indemnities, customs, revenue bonds or similar instruments in the ordinary course of business, including guarantees or obligations with respect thereto (in each case other than for an obligation for money borrowed);

(10) the incurrence by the Issuer or any Restricted Subsidiary of Indebtedness issued in exchange for, or the proceeds of which are used to extend, refinance, renew, replace, substitute or refund in whole or in part, Indebtedness referred to in paragraph (a) of this Section 4.09 or in clause (1), (4), (5) or (6) or this clause (10) of this Section 4.09(b) ("*Refinancing Indebtedness*"); *provided, however*, that:

(A) the principal amount of such Refinancing Indebtedness shall not exceed the principal amount and accrued interest of the Indebtedness so exchanged, extended, refinanced, renewed, replaced, substituted or refunded and any premiums payable and reasonable fees, expenses, commissions and costs in connection therewith;

(B) the Refinancing Indebtedness shall have a final maturity equal to or later than, and a Weighted Average Life to Maturity equal to or greater than, the earlier of (i) 91 days after the final maturity date of the Notes and (ii) the final maturity and Weighted Average Life to Maturity, respectively, of the Indebtedness being exchanged, extended, refinanced, renewed, replaced, substituted or refunded;

(C) the Refinancing Indebtedness shall be subordinated in right of payment to the Notes and the Guarantees, if at all, on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness being exchanged, extended, refinanced, renewed, replaced, substituted or refunded; and

(D) if the Indebtedness to be exchanged refinanced, renewed, replaced, substituted or refunded was the obligation of the Issuer or Guarantor, such Indebtedness shall not be incurred by any of the Restricted Subsidiaries other than a Guarantor or any Restricted Subsidiary that was an obligor under the Indebtedness so refinanced;

(11) additional Indebtedness of the Issuer and any of its Restricted Subsidiaries in an aggregate principal amount not to exceed \$100.0 million at anyone time outstanding (which may, but need not, be incurred under the Credit Facilities);

(12) the guarantee by the Issuer or any Guarantor of Indebtedness of the Issuer or a Restricted Subsidiary that was permitted to be incurred by another provision of this Section 4.09 and the guarantee by any Restricted Subsidiary that is not a Guarantor of any Indebtedness of any Restricted Subsidiary that is not a Guarantor;

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(13) the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, and the payment of dividends on Disqualified Capital Stock in the form of additional shares of the same class of Disqualified Capital Stock;

(14) the incurrence by the Issuer or its Subsidiaries of guarantees in respect of obligations of joint ventures; *provided* that the aggregate principal amount of Indebtedness incurred pursuant to this clause (14) shall not exceed \$100.0 million outstanding at any time;

(15) Indebtedness of Foreign Subsidiaries in an aggregate principal amount not to exceed 5% of Consolidated Total Assets that are attributable to Restricted Subsidiaries that are Foreign Subsidiaries;

(16) overdrafts paid within 10 Business Days;

(17) customary purchase price adjustments and indemnifications in connection with acquisition or disposition of stock or assets;

(18) guarantees to suppliers, licensors, artists or franchisees (other than guarantees of Indebtedness) in the ordinary course of business;

(19) Indebtedness arising in connection with endorsement of instruments for collection or deposit in the ordinary course of business;

(20) Indebtedness consisting of obligations to pay insurance premiums in an amount not to exceed the annual premiums in respect of such insurance premiums at any one time outstanding; and

(21) the proceeds of which are applied to defease or discharge the Notes pursuant to the provisions Section of Article 8.

(c) For purposes of determining compliance with this Section 4.09, (1) the outstanding principal amount of any item of Indebtedness shall be counted only once, and any obligation arising under any guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness incurred in compliance with this Section 4.09 shall be disregarded, and (2) if an item of Indebtedness meets the criteria of more than one of the categories described in clauses (b)(1) through (21) above or is permitted to be incurred pursuant to Section 4.09(a) and also meets the criteria of one or more of the categories described in clauses (1) through (21) of Section 4.09(b), the Issuer shall, in its sole discretion, classify such item of Indebtedness in any manner that complies with this Section 4.09 and may from time to time reclassify such item of Indebtedness in any manner in which such item could be incurred at the time of such reclassification; *provided* that Indebtedness outstanding under the Credit Agreement on the Issue Date (and any Indebtedness secured by a Lien that refinances such Indebtedness) shall be deemed to be outstanding under paragraph (b)(2) above and may not be reclassified.

(d) Accrual of interest or dividends on Preferred Equity Interests, the accretion of original issue discount and the payment of interest or dividends on Preferred Equity Interests in the form of additional Indebtedness or Preferred Equity Interests of the same class

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shall not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09. Any increase in the amount of Indebtedness solely by reason of currency fluctuations shall not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09. A change in GAAP that results in an obligation existing at the time of such change, not previously classified as Indebtedness, becoming Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09.

(e) The amount of indebtedness outstanding as of any date shall be (1) the accreted value thereof, in the case of any Indebtedness issued with original issue discount, (2) the principal amount thereof, in the case of any other Indebtedness, (3) in the case of the guarantee by the specified Person of any Indebtedness of any other Person, the maximum liability to which the specified Person may be subject upon the occurrence of the contingency giving rise to the obligation and (4) in the case of Indebtedness of others guaranteed by means of a Lien on any asset of the specified Person, the lesser of (A) the Fair Market Value of such asset on the date on which Indebtedness is required to be determined pursuant to this Indenture and (B) the amount of the Indebtedness so secured.

(f) For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated by the Issuer based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-dominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-dominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Issuer may incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

Section 1.10 Amendment of Section 4.10. Section 4.10 (*Limitation on Asset Sales*) of the Indenture is hereby deleted in its entirety and replaced with the following:

The Issuer shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, consummate any Asset Sale unless:

(1) the Issuer or such Restricted Subsidiary receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (determined as of the time of contractually agreeing to such Asset Sale) of the assets included in such Asset Sale (such Fair Market Value to be determined by (i) an executive officer of the Issuer or such

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Subsidiary if the value is less than \$50.0 million or (ii) in all other cases by a resolution of the Issuer's Board of Directors (or of a committee appointed thereby for such purposes)); and

(2) at least 75% of the total consideration in such Asset Sale consists of cash or Cash Equivalents or Marketable Securities.

For purposes of clause (2), the following shall be deemed to be cash:

(a) the amount (without duplication) of any Indebtedness (other than Subordinated Indebtedness) of the Issuer or such Restricted Subsidiary that is expressly assumed by the transferee in such Asset Sale and with respect to which the Issuer or such Restricted Subsidiary, as the case may be, is unconditionally released by the holder of such Indebtedness,

(b) the amount of any obligations or securities received from such transferee that are within 180 days converted by the Issuer or such Restricted Subsidiary to cash (to the extent of the cash actually so received), and

(c) the Fair Market Value of any assets (other than securities) received by the Issuer or any Restricted Subsidiary to be used by the Issuer or any Restricted Subsidiary in a Permitted Business.

If the Issuer or any Restricted Subsidiary engages in an Asset Sale, the Issuer or such Restricted Subsidiary shall apply all or any of the Net Proceeds therefrom to:

(1) repay Indebtedness under any Credit Facility, and in the case of any such repayment under any revolving credit facility, effect a permanent reduction in the availability under such revolving credit facility; or

(2) (A) invest all or any part of the Net Proceeds thereof in capital expenditures or the purchase of assets to be used by the Issuer or any Restricted Subsidiary in a Permitted Business, (B) acquire Equity Interests in a Person that is a Restricted Subsidiary or in a Person engaged primarily in a Permitted Business that shall become a Restricted Subsidiary immediately upon the consummation of such acquisition or (C) a combination of (A) and (B).

Any Net Proceeds from any Asset Sale that are not applied or invested (or committed pursuant to a written agreement to be applied) as provided in the preceding paragraph within 365 days after the receipt thereof and, in the case of any amount committed to a reinvestment, which are not actually so applied within 180 days following such 365 day period shall constitute "Excess Proceeds" and shall be applied to an offer to purchase Notes and other senior Indebtedness of the Issuer if and when required under Section 3.08. Pending the final application of any such Net Proceeds, the Issuer or such Restricted Subsidiary may temporarily reduce revolving indebtedness under a Credit Facility, if any, or otherwise invest such Net Proceeds in any manner not prohibited under this Indenture.

Section 1.11 Amendment of Section 4.11, Section 4.11 (*Limitation on Transactions with Affiliates*) of the Indenture is hereby deleted in its entirety and replaced with the following:

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The Issuer shall not and shall not permit any Restricted Subsidiary to, directly or indirectly, sell, lease, transfer or otherwise dispose of any of the Issuer's or any Restricted Subsidiary's properties or assets to, or purchase any property or assets from, or enter into any contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (including any Unrestricted Subsidiary) (each of the foregoing, an "*Affiliate Transaction*"), unless:

(a) such Affiliate Transaction is on terms that are not materially less favorable, taken as a whole, to the Issuer or such Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Issuer or such Restricted Subsidiary with an unrelated Person; *provided* that such transaction shall be deemed to be at least as favorable as the terms that could have been obtained in a comparable transaction with an unrelated Person if such transaction is approved by the members of (x) the Board of Directors or (y) any duly constituted committee thereof, in each case including a majority of the disinterested members thereof who meet the independence requirements of the New York Stock Exchange or NASDAQ; and

(b) if such Affiliate Transaction involves aggregate payments in excess of \$50.0 million, such Affiliate Transaction has either (i) been approved by a resolution of the members of (x) the Board of Directors of the Issuer or (y) any duly constituted committee thereof, in each case including a majority of the disinterested members thereof who meet the independence requirements of the New York Stock Exchange or NASDAQ or (ii) if there are no disinterested directors on the Board of Directors of the Issuer, the Issuer or such Restricted Subsidiary has obtained the favorable opinion of an Independent Financial Advisor as to the fairness of such Affiliate Transaction to the Issuer or the relevant Restricted Subsidiary, as the case may be, from a financial point of view;

*provided, however*, that the following shall, in each case, not be deemed Affiliate Transactions:

(i) the entry into employment agreements and the adoption of compensation or benefit plans for the benefit of, or payment of compensation to, directors and management of the Issuer and its Subsidiaries (including, without limitation, salaries, fees, bonuses, equity and incentive arrangements and payments);

(ii) indemnification or similar arrangements for officers, directors, employees or agents of the Issuer or any of the Restricted Subsidiaries pursuant to charter, bylaw, statutory or contractual provisions;

(iii) transactions between or among the Issuer and the Restricted Subsidiaries;

(iv) Restricted Payments not prohibited by Section 4.07 and Permitted Investments;

(v) any transactions between the Issuer or any of the Restricted Subsidiaries and any Affiliate of the Issuer the Equity Interests of which Affiliate are owned solely by the Issuer or one of the Restricted Subsidiaries, on the one hand, and by Persons who are not Affiliates of the Issuer or Restricted Subsidiaries, on the other hand;



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(vi) any agreements or arrangements in effect on the Issue Date and described in the offering memorandum for the New Notes and any modifications, extensions or renewals thereof that are no less favorable to the Issuer or the applicable Restricted Subsidiary in any material respect than such agreement as in effect on the Issue Date;

(vii) so long as they comply with clause (a) above, transactions with customers, clients, lessors, landlords, suppliers, contractors, or purchasers or sellers of good or services that are Affiliates, in each case in the ordinary course of business and otherwise in compliance with the terms of this Indentures;

(viii) the Transactions;

(ix) transactions with Persons who are Affiliates of the Issuer solely as a result of the Issuer's or a Restricted Subsidiary's Investment in such Person;

(x) sales of Equity Interests to Affiliates of the Issuer or its Restricted Subsidiaries not otherwise prohibited by this Indenture and the granting of registration and other customary rights in connection therewith;

(xi) transactions with an Affiliate where the only consideration paid is Equity Interests of the Issuer other than Disqualified Stock;

(xii) transactions in which the Issuer or any of its Restricted Subsidiaries, as the case may be, deliver to the Trustee a letter from an Independent Financial Advisor stating that such transaction is fair to the Issuer or such Restricted Subsidiary from a financial point of view or meets the requirements of this covenant;

(xiii) transactions with joint ventures or Unrestricted Subsidiaries entered into in the ordinary course of business; and

(xiv) transactions between the Issuer or any of its Restricted Subsidiaries and any Person, a director of which is also a director of the Issuer; *provided, however*, that such director abstains from voting as a director on any matter involving such other Person.

Section 1.12 Amendment of Section 4.13. Section 4.13 (*Additional Subsidiary Guarantees*) of the Indenture is hereby deleted in its entirety and replaced with the following:

If (a) any of the Issuer's Domestic Subsidiaries that is not a Guarantor guarantees or becomes otherwise obligated under a Credit Facility incurred under clause (2) of Section 4.09(b) or Section 4.09(a) (other than under the second proviso thereto), then in each case such guarantor or obligor shall (i) execute and deliver to the Trustee a supplemental indenture in form reasonably satisfactory to the Trustee pursuant to which such Restricted Subsidiary shall unconditionally guarantee all of the Issuer's obligations under the Notes and this Indenture on the terms set forth in this Indenture and (ii) deliver to the Trustee an Opinion of Counsel that such supplemental indenture has been duly authorized, executed and delivered by such Restricted Subsidiary and constitutes a legal, valid, binding and enforceable obligation of such Restricted Subsidiary. Thereafter, such Restricted Subsidiary shall be a Guarantor for all purposes of this Indenture.

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Section 1.13 Amendment of Section 4.19(d). Section 4.19(d) (*Suspension of Covenants*) of the Indenture is hereby deleted in its entirety and replaced with the following:

(d) On each Reversion Date, all Indebtedness incurred during the Suspension Period prior to such Reversion Date will be deemed to be Existing Indebtedness. For purposes of calculating the amount available to be made as Restricted Payments under clause (3) of Section 4.07(a), calculations under such section shall be made as though such section had been in effect during the entire period of time after the Issue Date (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (2) through (10) under Section 4.07(b) will reduce the amount available to be made as Restricted Payments under clause (3) of such Section 4.07(a), provided that the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. For purposes of Section 3.08, on the Reversion Date, the unutilized amount of Net Proceeds will be reset to zero. Notwithstanding the foregoing, neither (a) the continued existence, after the Reversion Date, of facts and circumstances or obligations that were incurred or otherwise came into existence during a Suspension Period nor (b) the performance of any such obligations, shall constitute a breach of any covenant set forth herein or cause a Default or Event of Default thereunder; provided that (1) the Issuer and its Restricted Subsidiaries did not incur or otherwise cause such facts and circumstances or obligations to exist in anticipation of a withdrawal or downgrade by the applicable Rating Agency below an Investment Grade Rating and (2) the Issuer reasonably believed that such incurrence or actions would not result in such withdrawal or downgrade.

Section 1.14 Amendment of Section 5.01. Section 5.01 (*Merger, Consolidation or Sale of Assets*) of the Indenture is hereby deleted in its entirety and replaced with the following:

The Issuer shall not consolidate or merge with or into (whether or not the Issuer is the surviving entity), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to, another Person unless:

(a) the Issuer is the surviving Person or the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation, limited partnership or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia; *provided, however*, that if the surviving Person is a limited liability company or limited partnership, such entity shall also form a co-issuer that is a corporation;

(b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the Issuer's obligations pursuant to a supplemental indenture in form reasonably satisfactory to the Trustee under the Notes and this Indenture;

(c) immediately after such transaction, no Default or Event of Default exists; and

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(d) the Issuer or the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made (i) will have a Consolidated Fixed Charge Coverage Ratio immediately after the transaction (but prior to any purchase accounting adjustments or accrual of deferred tax liabilities resulting from the transaction) not less than the Issuer's Consolidated Fixed Charge Coverage Ratio immediately preceding the transaction or (ii) would, at the time of such transaction after giving pro forma effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least \$1.00 of additional Indebtedness pursuant to Section 4.09(a).

Notwithstanding the foregoing, (i) any Restricted Subsidiary may consolidate with or merge into or transfer all or part of its properties and assets to the Issuer or another Restricted Subsidiary, and (ii) the Issuer may complete the Transactions.

Notwithstanding the foregoing clauses(c) and (d), this Article 5 will not apply to a merger of the Issuer with a Restricted Subsidiary solely for the purpose of reorganizing the Issuer in another jurisdiction of the United States so long as the amount of Indebtedness of the Issuer and the Restricted Subsidiary is not increased thereby.

Section 1.15 Amendment of Section 6.01. Section 6.01 (*Events of Default*) of the Indenture is hereby deleted in its entirety and replaced with the following:

Each of the following constitutes an "*Event of Default*":

(a) default for 30 days in the payment when due of interest or additional interest, if any, on the Notes;

(b) default in payment when due of principal of or premium, if any, on the Notes at maturity, upon repurchase, redemption or otherwise;

(c) failure to comply for 30 days after notice with any obligations under the provisions described under Sections 3.08, 4.10 and 4.15 (other than a failure to purchase Notes duly tendered to the Issuer for repurchase pursuant to a Change of Control Offer or an Excess Proceeds Offer);

(d) subject to the last paragraph of Section 6.02, default under any other provision of this Indenture or the Notes, which default remains uncured for 60 days after notice from the Trustee or the Holders of at least 25% of the aggregate principal amount then outstanding of the Notes;

(e) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer and any of the Restricted Subsidiaries), which default is caused by a failure to pay the principal of such Indebtedness at the final stated maturity thereof within the grace period provided in such Indebtedness (a "*Payment Default*"), and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default, aggregates \$50.0 million or more;

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(f) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer or any of our Restricted Subsidiaries), which default results in the acceleration of such Indebtedness prior to its express maturity not rescinded or cured within 30 days after such acceleration, and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated and remains undischarged after such 30 day period, aggregates \$50.0 million or more;

(g) failure by the Issuer and any of the Restricted Subsidiaries to pay final judgments (other than any judgment as to which a reputable insurance company has accepted full liability) aggregating \$50.0 million or more, which judgments are not stayed within 60 days after their entry;

(h) any Guarantee of a Significant Subsidiary shall be held in a judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect, or any Guarantor that qualifies as a Significant Subsidiary, or any person acting on behalf of any Guarantor that qualifies as a Significant Subsidiary, shall deny or disaffirm its obligations under its Guarantee;

(i) the Issuer or any Significant Subsidiary of the Issuer pursuant to or within the meaning of Bankruptcy Law (i) commences a voluntary case; (ii) consents to the entry of an order for relief against it in an involuntary case; (iii) consents to the appointment of a custodian of it or for all or substantially all of its property; or (iv) makes a general assignment for the benefit of its creditors; and

(j) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that: (i) is for relief against the Issuer or any Significant Subsidiary of the Issuer in an involuntary case; (ii) appoints a custodian of the Issuer or any Significant Subsidiary of the Issuer or for all or substantially all of the property of the Issuer or any Significant Subsidiary of the Issuer; or (iii) orders the liquidation of the Issuer or any Significant Subsidiary of the Issuer, and the order or decree remains unstayed and in effect for 60 consecutive days.

Section 1.16 Amendment of Section 6.02. Section 6.02 (*Acceleration*) of the Indenture is hereby deleted in its entirety and replaced with the following:

If any Event of Default occurs and is continuing, the Trustee by notice to the Issuer or the Holders of at least 25% of the aggregate principal amount then outstanding of the Notes by written notice to the Issuer and the Trustee, may declare all the Notes to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default specified in paragraph (i) or (j) of Section 6.01 hereof with respect to the Issuer, all outstanding Notes shall become and shall be immediately due and payable without further action or notice. Holders of the Notes may not enforce this Indenture or the Notes except as provided in this Indenture. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in such Holders' interest.

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Any failure to perform, or breach under Section 4.03 shall not be a Default or an Event of Default until the 121st day after the Issuer has received the notice referred to in clause (d) of Section 6.01 (at which point, unless cured or waived, such failure to perform or breach shall constitute an Event of Default). Prior to such 121st day, remedies against the Issuer for any such failure or breach will be limited to additional interest at a rate per year equal to 0.25% of the principal amount of such Notes from the 60th day following such notice to and including the 121st day following such notice.

Section 1.17 Amendment of Section 7.07. The last paragraph of Section 7.07 (*Compensation and Indemnity*) of the Indenture is hereby deleted in its entirety and replaced with the following:

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(i) or (j) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 1.18 Amendment of Section 8.04. Section 8.04 (*Covenant Defeasance*) of the Indenture is hereby deleted in its entirety and replaced with the following:

Upon the Issuer's exercise under Section 8.02 hereof of the option applicable to this Section 8.04, the Issuer shall be released from its obligations under the covenants contained in Sections 3.08, 4.03, 4.04, 4.05, 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.14 (other than existence of the Issuer (subject to Section 5.01), 4.15, 5.01 (except clauses (a) and (b)) and 10.03 hereof with respect to the outstanding Notes on and after the date the conditions set forth below are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for GAAP). For this purpose, such Covenant Defeasance means that, with respect to the outstanding Notes, the Issuer may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.01(c) hereof, but, except as specified above, the remainder hereof and such Notes shall be unaffected thereby. In addition, upon the Issuer's exercise under Section 8.02 hereof of the option applicable to this Section 8.04, Sections 6.01(c) through 6.01(g) shall not constitute Events of Default.

Section 1.19 Amendment of Section 10.05. Section 10.05 (*Releases from Guarantees*) of the Indenture is hereby deleted in its entirety and replaced with the following:

If pursuant to any direct or indirect sale of assets (including, if applicable, all of the Capital Stock of any Guarantor) or other disposition by way of merger, consolidation or otherwise, the assets sold include all or substantially all of the assets of any Guarantor or all of the Capital Stock of any such Guarantor, then such Guarantor or the Person acquiring the

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property (in the event of a sale or other disposition of all or substantially all of the assets of such a Guarantor) shall be released and relieved of its obligations under its Guarantee or Section 10.03 and Section 10.04 hereof, as the case may be; provided that in the event of an Asset Sale, the Net Proceeds from such sale or other disposition are applied in accordance with the provisions of Section 4.10 hereof. In addition, a Guarantor shall be released and relieved of its obligations under its Guarantee or Section 10.03 and Section 10.04 hereof, as the case may be if (1) such Guarantor is dissolved or liquidated in accordance with the provisions hereof; (2) the Issuer designates any such Guarantor as an Unrestricted Subsidiary in compliance with the terms hereof; (3) upon the transfer of such Guarantor in a transaction that (i) qualifies as a Permitted Investment or as a Restricted Payment that is not prohibited under Section 4.07 if following such transfer such Guarantor ceases to be a direct or indirect Restricted Subsidiary of the Issuer or (ii) following such transaction, such Guarantor is a Restricted Subsidiary that is not a guarantor under any Credit Facility incurred under clause (2) of Section 4.09(b); or (4) the Issuer effectively discharges such Guarantor's obligations or defeases the Notes in compliance with the terms of Article 8 hereof. Upon delivery by the Issuer to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Issuer in accordance with the provisions hereof, including without limitation Section 4.10 hereof, if applicable, the Trustee shall execute any documents pursuant to written direction of the Issuer in order to evidence the release of any such Guarantor from its obligations under its Guarantee. Any such Guarantor not released from its obligations under its Guarantee shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of such Guarantor under this Indenture as provided in this Article 10.

## ARTICLE II

Section 2.1 Amendment of the Notes. Any corresponding provisions reflected in the Notes shall also be deemed amended in conformity herewith.

Section 2.2 Effectiveness of Amendments. This Fifth Supplemental Indenture shall be effective upon execution hereof by the Issuers, the Guarantors and the Trustee; *provided, however*, that the amendments to the Indenture set forth in Sections 1.2 through 1.19 of this Fifth Supplemental Indenture shall not take effect until the Effective Date (as defined in the Consent Solicitation Statement). If the Related Transactions (as defined in the Consent Solicitation Statement) are terminated, withdrawn or otherwise not consummated, this Fifth Supplemental Indenture shall automatically become null and void *ab initio*.

Section 2.3 Interpretation; Severability. After such time as the amendments set forth in this Fifth Supplemental Indenture have taken effect pursuant to Section 2.2 hereto, the Indenture shall be modified and amended in accordance with this Fifth Supplemental Indenture, and all the terms and conditions of both shall be read together as though they constitute one instrument, except that, in case of conflict, the provisions of this Fifth Supplemental Indenture will control. The Indenture, as modified and amended by this Fifth Supplemental Indenture, is hereby ratified and confirmed in all respects and shall bind every holder of Notes. In case of conflict between the terms and conditions contained in the Notes and those contained in the Indenture, as modified and amended by this Fifth Supplemental Indenture, the provisions of the Indenture, as modified by this Fifth Supplemental Indenture, shall control. In case any provision in this Fifth Supplemental Indenture shall be invalid, illegal or unenforceable, the validity,

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legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 2.4 Governing Law. This Fifth Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York.

Section 2.5 Counterparts. This Fifth Supplemental Indenture may be signed in various counterparts which together will constitute one and the same instrument.

Section 2.6 Effect of Headings. The Section headings herein are for convenience only and shall not effect the construction hereof.

Section 2.7 Trustee. The recitals contained herein are made by the Issuers and the Guarantors, and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this Fifth Supplemental Indenture. All rights, protections, privileges, indemnities and benefits granted or afforded to the Trustee under the Indenture shall be deemed incorporated herein by this reference and shall be deemed applicable to all actions taken, suffered or omitted by the Trustee under this Fifth Supplemental Indenture.

*[Signature Pages Follow]*

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IN WITNESS WHEREOF, the parties hereto have caused this Fifth Supplemental Indenture to be duly executed as of the date first above written.

TICKETMASTER ENTERTAINMENT LLC, as  
Issuer

By: /s/ Michael Rowles

Name: Michael Rowles  
Title: Executive Vice President,  
General Counsel and Secretary

TICKETMASTER NOTECO, INC., as Issuer

By: /s/ Michael Rowles

Name: Michael Rowles  
Title: Executive Vice President,  
General Counsel and Secretary

*[Signature Page to Fifth Supplemental Indenture]*



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FLMG HOLDINGS CORP.,  
IAC PARTNER MARKETING, INC.,  
MICROFLEX 2001 LLC,  
TICKETMASTER ADVANCE TICKETS, L.L.C.,  
TICKETMASTER CALIFORNIA GIFT  
CERTIFICATES L.L.C.,  
TICKETMASTER CHINA VENTURES, L.L.C.,  
TICKETMASTER EDCS LLC,  
TICKETMASTER FLORIDA GIFT CERTIFICATES  
L.L.C.,  
TICKETMASTER GEORGIA GIFT CERTIFICATES  
L.L.C.,  
TICKETMASTER INDIANA HOLDINGS CORP.,  
TICKETMASTER L.L.C.,  
TICKETMASTER MULTIMEDIA HOLDINGS LLC,  
TICKETMASTER NEW VENTURES HOLDINGS,  
INC.,  
TICKETMASTER WEST VIRGINIA GIFT  
CERTIFICATES L.L.C.,  
TICKETMASTER-INDIANA, L.L.C.,  
TM VISTA INC.,  
ECHOMUSIC, LLC,  
EVENTINVENTORY.COM, INC.,  
NETTICKETS.COM, INC.,  
OPENSEATS, INC.,  
PREMIUM INVENTORY, INC.,

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SHOW ME TICKETS, LLC,  
THE V.I.P. TOUR COMPANY,  
TICKETSNOW.COM, INC.,  
TNOW ENTERTAINMENT GROUP, INC.,  
TICKETWEB, LLC,  
as Guarantors

By: /s/ Michael G. Rowles

Name: Michael Rowles  
Title: Executive Vice President,  
General Counsel and Secretary

*[Signature Page to Fifth Supplemental Indenture]*

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FRONT LINE MANAGEMENT GROUP, INC.,

AZOFF PROMOTIONS LLC,

FRONT LINE BCC LLC,

ILAA, INC.,

ILA MANAGEMENT, INC.,

ENTERTAINERS ART GALLERY LLC,

MORRIS ARTISTS MANAGEMENT LLC,  
as Guarantors

By: /s/ Colin Hodgson

Name: Colin Hodgson

Title: Chief Financial Officer

*[Signature Page to Fifth Supplemental Indenture]*

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FEA MERCHANDISE INC.,

SPALDING ENTERTAINMENT, LLC,  
as Guarantors

By: /s/ Colin Hodgson

Name: Colin Hodgson

Title: Treasurer

*[Signature Page to Fifth Supplemental Indenture]*

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THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,  
as Trustee

By: /s/ Alex Briffett

Name: John A. (Alex) Briffett

Title: Authorized Signatory

*[Signature Page to Fifth Supplemental Indenture]*

**SIXTH SUPPLEMENTAL INDENTURE**

**Dated as of May 6, 2010**

**Among**

**LIVE NATION ENTERTAINMENT, INC.,**

**The Guarantors Party Hereto**

**And**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,**

**as Trustee**

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THIS SIXTH SUPPLEMENTAL INDENTURE (this “**Sixth Supplemental Indenture**”), entered into as of May 6, 2010, among **LIVE NATION ENTERTAINMENT, INC.**, a Delaware corporation (the “**New Issuer**”), the guarantors listed in Appendix I attached hereto (the “**Existing Guarantors**”), and the guarantors listed in Appendix II hereto (each, a “**New Guarantor**,” and together with the Existing Guarantors, the “**Guarantors**”), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, as trustee (the “**Trustee**”).

#### RECITALS

WHEREAS, Ticketmaster Entertainment LLC, a Delaware limited liability company (“**Ticketmaster**”), and Ticketmaster Noteco, Inc., a Delaware corporation (“**Noteco**” and, together with Ticketmaster, the “**Previous Issuers**”), the Existing Guarantors and the Trustee are parties to an Indenture, dated as of July 28, 2008, as supplemented by the First Supplemental Indenture, dated as of August 20, 2008, the Second Supplemental Indenture, dated as of April 30, 2009, the Third Supplemental Indenture, dated as of July 23, 2009, the Fourth Supplemental Indenture, dated as of January 25, 2010, and the Fifth Supplemental Indenture, dated as of April 30, 2010 (as so supplemented, the “**Indenture**”), relating to the Previous Issuers’ 10.75% Senior Notes due 2016 (the “**Notes**”);

WHEREAS, pursuant to that certain Agreement and Plan of Merger, dated as of May 4, 2010 between Ticketmaster and the New Issuer, Ticketmaster was merged with and into the New Issuer on the date hereof, with the New Issuer continuing as the surviving corporation of such merger (the “**Ticketmaster Merger**”);

WHEREAS, pursuant to resolutions duly adopted by the board of directors of the New Issuer on May 4, 2010 and after giving effect to the consummation of the Ticketmaster Merger, Noteco was merged with and into the New Issuer on the date hereof, with the New Issuer continuing as the surviving corporation of such merger (the “**Noteco Merger**” and, together with the Ticketmaster Merger, the “**Mergers**”);

WHEREAS, as a result of the consummation of the Mergers, Article 5 of the Indenture requires the New Issuer to execute and deliver to the Trustee a supplemental indenture pursuant to which the New Issuer assumes the obligations of the Previous Issuers under the Indenture and the Notes;

WHEREAS, Section 4.13 of the Indenture requires the New Issuer to cause each Domestic Subsidiary that is not a Guarantor under the Notes but becomes a guarantor under a Credit Facility to execute and deliver to the Trustee a supplemental indenture pursuant to which such Domestic Subsidiary shall unconditionally guarantee all of the New Issuer’s obligations under the Indenture and the Notes;

WHEREAS, the New Issuer desires to amend the Notes pursuant to Section 9.01 of the Indenture to reflect the assumption of the Previous Issuers’ obligations under the Notes by the New Issuer and the addition of the New Guarantors;

WHEREAS, pursuant to Section 9.01 of the Indenture, the New Issuer, the Guarantors and the Trustee can execute this Sixth Supplemental Indenture without the consent of holders;

WHEREAS, all things necessary have been done to make this Sixth Supplemental Indenture, when executed and delivered by the New Issuer and the Guarantors, the legal, valid and binding agreement of the New Issuer and the Guarantors, in accordance with its terms; and

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NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and intending to be legally bound, the parties to this Sixth Supplemental Indenture hereby agree as follows:

## ARTICLE I

Section 1.1 Capitalized Terms. Capitalized terms used herein and not otherwise amended or defined herein are used as defined in the Indenture.

Section 1.2 Agreement of New Issuer. Pursuant to Article 5 of the Indenture, the New Issuer, hereby expressly assumes and agrees to perform all the obligations of the Previous Issuers under the Notes and the Indenture, including the due and punctual payment of the principal of (and premium, if any) and interest on the Notes and the performance of every covenant of the Indenture on the part of the Previous Issuers to be performed or observed.

Section 1.3 Amendment of term "Issuer". From and after the date hereof, the Indenture shall be amended such that the defined term "Issuer" is amended to mean Live Nation Entertainment, Inc.

Section 1.4 Notation on the Notes. Pursuant to Section 9.05 of the Indenture, the Trustee shall place the following notation on the Notes:

"On May 6, 2010, Ticketmaster Entertainment LLC, a Delaware limited liability ("Ticketmaster") and Ticketmaster Noteco, Inc., a Delaware corporation ("Noteco" and, together with Ticketmaster, the "Previous Issuers"), were separately merged with and into Live Nation Entertainment, Inc., with the surviving corporation of such mergers being Live Nation Entertainment, Inc. (the "New Issuer"). The New Issuer assumed and agreed to perform on the part of the Previous Issuers the due and punctual payment of the principal of (and premium, if any) and interest on the Notes and the performance of every covenant of the Indenture on the part of the Previous Issuers to be performed or observed."

Anything herein or in the Indenture to the contrary notwithstanding, the failure to affix the notation herein provided to any Note or to exchange any Note for a new Note modified as herein provided shall not affect any of the rights of the Holder of such Note.

Section 1.5 Agreement to Guarantee. Each New Guarantor hereby agrees to guarantee the New Issuer's obligations under the Notes on the terms and subject to the conditions set forth in Article 10 of the Indenture. From and after the date hereof, each New Guarantor shall be a Guarantor for all purposes under the Indenture and the Notes.

Section 1.6 Incorporation of Terms of Indenture. The obligations of each New Guarantor under the Guarantee shall be governed in all respects by the terms of the Indenture and shall constitute a Guarantee thereunder. Each New Guarantor shall be bound by the terms of the Indenture as they relate to the Guarantee.



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## ARTICLE II

Section 2.1 Amendment of the Notes. Any corresponding provisions reflected in the Notes shall also be deemed amended in conformity herewith.

Section 2.2 Effectiveness of Amendments. This Sixth Supplemental Indenture shall be effective upon execution hereof by the New Issuer, the Guarantors and the Trustee.

Section 2.3 Interpretation; Severability. The Indenture shall be modified and amended in accordance with this Sixth Supplemental Indenture, and all the terms and conditions of both shall be read together as though they constitute one instrument, except that, in case of conflict, the provisions of this Sixth Supplemental Indenture will control. The Indenture, as modified and amended by this Sixth Supplemental Indenture, is hereby ratified and confirmed in all respects and shall bind every holder of Notes. In case of conflict between the terms and conditions contained in the Notes and those contained in the Indenture, as modified and amended by this Sixth Supplemental Indenture, the provisions of the Indenture, as modified by this Sixth Supplemental Indenture, shall control. In case any provision in this Sixth Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 2.4 Governing Law. This Sixth Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of New York.

Section 2.5 Counterparts. This Sixth Supplemental Indenture may be signed in various counterparts which together will constitute one and the same instrument.

Section 2.6 Effect of Headings. The Section headings herein are for convenience only and shall not effect the construction hereof.

Section 2.7 Trustee. The recitals contained herein are made by the New Issuer and the Guarantors, and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this Sixth Supplemental Indenture. All rights, protections, privileges, indemnities and benefits granted or afforded to the Trustee under the Indenture shall be deemed incorporated herein by this reference and shall be deemed applicable to all actions taken, suffered or omitted by the Trustee under this Sixth Supplemental Indenture.

*[Signature Pages Follow]*

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IN WITNESS WHEREOF, the parties hereto have caused this Sixth Supplemental Indenture to be duly executed as of the date first above written.

LIVE NATION ENTERTAINMENT, INC.,  
as Issuer

By: /s/ Michael G. Rowles

Name: Michael Rowles

Title: Executive Vice President,  
General Counsel and Secretary

Signature Page to Sixth Supplemental Indenture

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LN ACQUISITION HOLDCO LLC

By: LIVE NATION ENTERTAINMENT, INC.,  
its sole member

By: /s/ Michael G. Rowles

Name: Michael Rowles

Title: Executive Vice President, General Counsel  
and Secretary

CONNECTICUT PERFORMING ARTS PARTNERS

By: NOC, INC., a general partner

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

By: CONNECTICUT AMPHITHEATER  
DEVELOPMENT CORPORATION, a general  
partner

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

Signature Page to Sixth Supplemental Indenture

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BILL GRAHAM ENTERPRISES, INC.  
CELLAR DOOR VENUES, INC.  
COBB'S COMEDY INC.  
CONNECTICUT AMPHITHEATER  
DEVELOPMENT CORPORATION  
CONNECTICUT PERFORMING ARTS, INC.  
EVENING STAR PRODUCTIONS, INC.  
EVENTINVENTORY.COM, INC.  
EVENT MERCHANDISING INC.  
FILLMORE THEATRICAL SERVICES  
FLMG HOLDINGS CORP.  
HOB MARINA CITY, INC.  
HOUSE OF BLUES SAN DIEGO, LLC  
IAC PARTNER MARKETING, INC.  
LIVE NATION HOLDCO #1, INC.  
LIVE NATION HOLDCO #2, INC.  
LIVE NATION MARKETING, INC.  
LIVE NATION MTOURS (USA), INC.  
LIVE NATION TOURING (USA), INC.  
LIVE NATION UTOURS (USA), INC.  
LIVE NATION WORLDWIDE, INC.  
MICROFLEX 2001 LLC  
NETTICKETS.COM, INC.  
NOC, INC.  
OPENSEATS, INC.  
PREMIUM INVENTORY, INC.  
SHORELINE AMPHITHEATRE, LTD.  
SHOW ME TICKETS, LLC  
THE V.I.P. TOUR COMPANY  
TICKETMASTER ADVANCE TICKETS, L.L.C.  
TICKETMASTER CALIFORNIA GIFT  
CERTIFICATES L.L.C.  
TICKETMASTER CHINA VENTURES, L.L.C.  
TICKETMASTER EDCS LLC  
TICKETMASTER FLORIDA GIFT CERTIFICATES  
L.L.C.  
TICKETMASTER GEORGIA GIFT CERTIFICATES  
L.L.C.  
TICKETMASTER-INDIANA, L.L.C.  
TICKETMASTER INDIANA HOLDINGS CORP.  
TICKETMASTER L.L.C.  
TICKETMASTER MULTIMEDIA HOLDINGS LLC  
TICKETMASTER NEW VENTURES HOLDINGS,  
INC.  
TICKETMASTER WEST VIRGINIA GIFT  
CERTIFICATES L.L.C.  
TICKETSNOW.COM, INC.  
TICKETWEB, LLC  
TM VISTA INC.  
TNA TOUR II (USA) INC.  
TNOW ENTERTAINMENT GROUP, INC.

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

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ELECTRIC FACTORY CONCERTS, INC.  
HOB BOARDWALK, INC.  
HOB CHICAGO, INC.  
HOB ENTERTAINMENT, INC.  
HOUSE OF BLUES ANAHEIM RESTAURANT  
CORP.  
HOUSE OF BLUES CLEVELAND, LLC  
HOUSE OF BLUES CONCERTS, INC.  
HOUSE OF BLUES DALLAS RESTAURANT CORP.  
HOUSE OF BLUES HOUSTON RESTAURANT  
CORP.  
HOUSE OF BLUES LAS VEGAS RESTAURANT  
CORP.  
HOUSE OF BLUES LOS ANGELES RESTAURANT  
CORP.  
HOUSE OF BLUES MYRTLE BEACH  
RESTAURANT CORP.  
HOUSE OF BLUES NEW ORLEANS  
RESTAURANT CORP.  
HOUSE OF BLUES ORLANDO RESTAURANT  
CORP.  
HOUSE OF BLUES RESTAURANT HOLDING  
CORP.  
HOUSE OF BLUES SAN DIEGO RESTAURANT  
CORP.  
LIVE NATION CHICAGO, INC.  
LIVE NATION CONCERTS, INC.

By: /s/ Michael G. Rowles

Name: Michael Rowles

Title: President

LIVE NATION MERCHANDISE, INC.  
LIVE NATION TICKETING, LLC  
LIVE NATION VENTURES, INC.

By: /s/ Michael G. Rowles

Name: Michael Rowles

Title: Executive Vice President, General Counsel and  
Secretary

LIVE NATION BOGART, LLC  
LIVE NATION – HAYMON VENTURES, LLC  
LIVE NATION STUDIOS, LLC  
MICHIGAN LICENSES, LLC  
MUSICTODAY, LLC  
WILTERN RENAISSANCE LLC

By: LIVE NATION WORLDWIDE, INC.,  
its sole member

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

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AZOFF PROMOTIONS LLC  
ENTERTAINERS ART GALLERY LLC  
FRONT LINE BCC LLC  
FRONT LINE MANAGEMENT GROUP, INC.  
ILAA, INC.  
ILA MANAGEMENT, INC.  
MORRIS ARTISTS MANAGEMENT LLC

By: /s/ Colin Hodgson  
Name: Colin Hodgson  
Title: Chief Financial Officer

FEA MERCHANDISE INC.  
SPALDING ENTERTAINMENT, LLC

By: /s/ Colin Hodgson  
Name: Colin Hodgson  
Title: Vice President, Secretary and Treasurer

Signature Page to Sixth Supplemental Indenture

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THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,  
as Trustee

By: /s/ Alex Briffett

Name: John A. (Alex) Briffett

Title: Authorized Signatory

Signature Page to Sixth Supplemental Indenture

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**APPENDIX I**

Existing Guarantors

FLMG HOLDINGS CORP.,  
IAC PARTNER MARKETING, INC.,  
MICROFLEX 2001 LLC,  
TICKETMASTER ADVANCE TICKETS, L.L.C.,  
TICKETMASTER CALIFORNIA GIFT  
CERTIFICATES L.L.C.,  
TICKETMASTER CHINA VENTURES, L.L.C.,  
TICKETMASTER EDCS LLC,  
TICKETMASTER FLORIDA GIFT CERTIFICATES  
L.L.C.,  
TICKETMASTER GEORGIA GIFT CERTIFICATES  
L.L.C.,  
TICKETMASTER INDIANA HOLDINGS CORP.,  
TICKETMASTER L.L.C.,  
TICKETMASTER MULTIMEDIA HOLDINGS LLC,  
TICKETMASTER NEW VENTURES HOLDINGS,  
INC.,  
TICKETMASTER WEST VIRGINIA GIFT  
CERTIFICATES L.L.C.,  
TICKETMASTER-INDIANA, L.L.C.,  
TM VISTA INC.,  
EVENTINVENTORY.COM, INC.,  
NETTICKETS.COM, INC.,  
OPENSEATS, INC.,  
PREMIUM INVENTORY, INC.,  
SHOW ME TICKETS, LLC,  
THE V.I.P. TOUR COMPANY,



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TICKETSNOW.COM, INC.,  
TNOW ENTERTAINMENT GROUP, INC.,  
TICKETWEB, LLC,  
FRONT LINE MANAGEMENT GROUP, INC.,  
AZOFF PROMOTIONS LLC,  
FRONT LINE BCC LLC,  
ILAA, INC.,  
ILA MANAGEMENT, INC.,  
ENTERTAINERS ART GALLERY LLC,  
MORRIS ARTISTS MANAGEMENT LLC,  
FEA MERCHANDISE INC.,  
SPALDING ENTERTAINMENT, LLC,

Appendix I

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**APPENDIX II**

New Guarantors

BILL GRAHAM ENTERPRISES, INC.,  
CELLAR DOOR VENUES, INC.,  
COBB'S COMEDY INC.,  
CONNECTICUT AMPHITHEATER  
DEVELOPMENT CORPORATION,  
CONNECTICUT PERFORMING ARTS, INC.,  
CONNECTICUT PERFORMING ARTS PARTNERS,  
ELECTRIC FACTORY CONCERTS, INC.,  
EVENING STAR PRODUCTIONS, INC.,  
EVENT MERCHANDISING INC.,  
FILLMORE THEATRICAL SERVICES,  
HOB BOARDWALK, INC.,  
HOB CHICAGO, INC.,  
HOB ENTERTAINMENT, INC.,  
HOB MARINA CITY, INC.,  
HOUSE OF BLUES ANAHEIM RESTAURANT  
CORP.,  
HOUSE OF BLUES CLEVELAND, LLC,  
HOUSE OF BLUES CONCERTS, INC.,  
HOUSE OF BLUES DALLAS RESTAURANT  
CORP.,  
HOUSE OF BLUES HOUSTON RESTAURANT  
CORP.,  
HOUSE OF BLUES LAS VEGAS RESTAURANT  
CORP.,  
HOUSE OF BLUES LOS ANGELES RESTAURANT  
CORP.,

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HOUSE OF BLUES MYRTLE BEACH  
RESTAURANT CORP.,

HOUSE OF BLUES NEW ORLEANS  
RESTAURANT CORP.,

HOUSE OF BLUES ORLANDO RESTAURANT  
CORP.,

HOUSE OF BLUES RESTAURANT HOLDING  
CORP.,

HOUSE OF BLUES SAN DIEGO, LLC,

HOUSE OF BLUES SAN DIEGO RESTAURANT  
CORP.,

LIVE NATION BOGART, LLC

LIVE NATION CHICAGO, INC.

LIVE NATION CONCERTS, INC.

LIVE NATION – HAYMON VENTURES, LLC

LIVE NATION HOLDCO #1, INC.,

LIVE NATION HOLDCO #2, INC.,

LIVE NATION MARKETING, INC.,

LIVE NATION MERCHANDISE, INC.,

LIVE NATION MTOURS (USA), INC.,

LIVE NATION STUDIOS, LLC,

LIVE NATION TICKETING, LLC,

LIVE NATION TOURING (USA), INC.,

LIVE NATION UTOURS (USA), INC.,

LIVE NATION VENTURES, INC.,

LIVE NATION WORLDWIDE, INC.,

LN ACQUISITION HOLDCO LLC,

MICHIGAN LICENSES, LLC,

MUSICTODAY, LLC

Appendix II

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NOC, INC.

SHORELINE AMPHITHEATRE, LTD.,

TNA TOUR II (USA) INC.,

WILTERN RENAISSANCE LLC

Appendix II

LIVE NATION ENTERTAINMENT, INC.

8.125% SENIOR NOTES DUE 2018

INDENTURE

Dated as of May 6, 2010

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

as

Trustee

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CROSS-REFERENCE TABLE

<u>TIA Section</u>	<u>Indenture Section</u>
303	1.03
310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	N.A.
(a)(4)	N.A.
(b)	7.10
(c)	N.A.
311(a)	7.11
(b)	7.11
(c)	N.A.
312(a)	2.05
(b)	11.03
(c)	11.03
313(a)	7.06
(b)(1)	7.06
(b)(2)	7.06; 7.07
(c)	7.06; 11.02
(d)	7.06
314(a)	4.03(a); 11.05
(4)	4.04; 11.05
(b)	N.A.
(c)(1)	11.04
(c)(2)	11.04
(c)(3)	N.A.
(d)	N.A.
(e)	11.04; 11.05
(f)	N.A.
315(a)	7.01(b); 7.02
(b)	7.05; 11.02
(c)	7.01(a)
(d)	7.01(c)
(e)	6.11
316(a) (last sentence)	2.09
(a)(1)(A)	6.05
(a)(1)(B)	6.04
(a)(2)	N.A.
(b)	6.07
(c)	2.13
317(a)(1)	6.08
(a)(2)	6.09
(b)	2.04
318(a)	11.01
(c)	11.01

N.A. means Not Applicable.

Note: This Cross-Reference Table shall not, for any purposes, be deemed to be part hereof.

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INDENTURE dated as of May 6, 2010 by and among Live Nation Entertainment, Inc. (the “*Issuer*”), a Delaware corporation, the Guarantors (as hereinafter defined) and The Bank of New York Mellon Trust Company, N.A., a national banking association, as trustee (the “*Trustee*”).

The Issuer, the Guarantors and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders of the Issuer’s 8.125% Senior Notes due 2018.

#### RECITALS

The Issuer and the Guarantors have duly authorized the execution and delivery hereof to provide for the issuance of the Notes and the Guarantees.

All things necessary (i) to make the Notes, when executed by the Issuer and authenticated and delivered hereunder and duly issued by the Issuer and delivered hereunder, the valid and binding obligations of the Issuer, (ii) to make the Guarantees when executed by the Guarantors and delivered hereunder the valid and binding obligations of the Guarantors, and (iii) to make this Indenture a valid and legally binding agreement of the Issuer and the Guarantors, all in accordance with their respective terms, have been done.

For and in consideration of the premises and the purchase of the Notes by the Holders thereof, it is mutually agreed as follows for the equal and ratable benefit of the Holders of the Notes.

#### ARTICLE 1

##### DEFINITIONS AND INCORPORATION BY REFERENCE

###### SECTION 1.01. *Definitions.*

“*144A Global Note*” means a global note substantially in the form of Exhibit A hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depository or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

“*Acquired Debt*” means, with respect to any specified Person, Indebtedness of any other Person existing at the time such other Person merges with or into or becomes a Subsidiary of such specified Person or is a Subsidiary of such other Person at the time of such merger or acquisition, or Indebtedness incurred by such Person in connection with the acquisition of assets.

“*Acquisition*” means the acquisition of Ticketmaster Entertainment, Inc. by Live Nation Entertainment, Inc.

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

“*Agent*” means any Registrar, Paying Agent or co-registrar.

“*Applicable Procedures*” means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary that apply to such transfer or exchange.

“*Asset Acquisition*” means (1) an Investment by the Issuer or any Restricted Subsidiary of the Issuer in any other Person pursuant to which such Person shall become a Restricted Subsidiary of the Issuer or any Restricted Subsidiary of the Issuer, or shall be merged with or into the Issuer or any Restricted Subsidiary of the Issuer, or (2) the acquisition by the Issuer or any Restricted Subsidiary of the Issuer of the assets of any Person (other than a Restricted Subsidiary of the Issuer) which constitute all or substantially all of the assets of such Person or comprises any division or line of business of such Person.

“*Asset Sale*” means any sale, issuance, conveyance, transfer, lease, assignment or other disposition by the Issuer or any Restricted Subsidiary to any Person other than the Issuer or any Restricted Subsidiary (including by means of a merger or consolidation or through the issuance or sale of Equity Interests of Restricted Subsidiaries (other than Preferred Equity Interests of Restricted Subsidiaries issued in compliance with Section 4.09 and other than directors’ qualifying shares or shares or interests required to be held by foreign nationals or third parties to the extent required by applicable law) (collectively, for purposes of this definition, a “*transfer*”), in one transaction or a series of related transactions, of any assets of the Issuer or any of its Restricted Subsidiaries (other than sales of inventory and other transfers in the ordinary course of business). For purposes of this definition, the term “*Asset Sale*” shall not include:

- (a) transfers of cash or Cash Equivalents;
- (b) transfers of assets of the Issuer (including Equity Interests) that are governed by, and made in accordance with, the first paragraph of Section 5.01;
- (c) Permitted Investments and Restricted Payments not prohibited under Section 4.07;
- (d) the creation of or realization on any Lien not prohibited under this Indenture;
- (e) transfers of damaged, worn-out or obsolete equipment or assets that, in the Issuer’s reasonable judgment, are no longer used or useful in the business of the Issuer or its Restricted Subsidiaries;

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(f) sales or grants of licenses or sublicenses to use the patents, trade secrets, know-how and other intellectual property, or abandonment thereof, and licenses, leases or subleases of other assets, of the Issuer or any Restricted Subsidiary to the extent not materially interfering with the business of Issuer and the Restricted Subsidiaries;

(g) any transfer or series of related transfers that, but for this clause, would be Asset Sales, if the aggregate Fair Market Value of the assets transferred in such transaction or series of related transactions does not exceed \$10.0 million;

(h) any sale of Equity Interests in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(i) the sale, transfer or other disposition of Hedging Obligations incurred in accordance with this Indenture;

(j) sales of assets received by the Issuer or any of its Restricted Subsidiaries upon the foreclosure on a Lien;

(k) the sale of any property in a sale-leaseback transaction within six months of the acquisition of such property; and

(l) (i) any loss or destruction of or damage to any property or asset or receipt of insurance proceeds in connection therewith or (ii) any institution of a proceeding for, or actual condemnation, seizure or taking by exercise of the power of eminent domain or otherwise of such property or asset, or confiscation of such property or asset or the requisition of the use of such property or asset or settlement in lieu of the foregoing.

“*Bankruptcy Law*” means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

“*Board of Directors*” means:

(1) with respect to a corporation, the board of directors of the corporation or, except in the context of the definition of “Change of Control”, a duly authorized committee thereof;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership; and

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

“*Broker-Dealer*” means any broker or dealer registered under the Exchange Act.

“*Business Day*” means any day other than a Legal Holiday.

“*Capital Lease Obligations*” means, as to any Person, the obligations of such Person under a lease that are required to be classified and accounted for as capital lease obligations under

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GAAP and, for purposes of this definition, the amount of such obligations at the time any determination thereof is to be made shall be the amount of the liability in respect of a capital lease that would at such time be so required to be capitalized on a balance sheet in accordance with GAAP.

“*Capital Stock*” means any and all shares, interests, participations, rights or other equivalents, however designated, of corporate stock or partnership or membership interests, whether common or preferred.

“*Cash Equivalents*” means:

- (a) United States dollars;
- (b) Government Securities having maturities of not more than twelve (12) months from the date of acquisition;
- (c) certificates of deposit, time deposits and eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers’ acceptances with maturities not exceeding one year and overnight bank deposits, in each case with any commercial bank having capital and surplus in excess of \$500.0 million;
- (d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (b) and (c) entered into with any financial institution meeting the qualifications specified in clause (c) above;
- (e) commercial paper issued by any issuer bearing at least a “2” rating for any short-term rating provided by Moody’s or S&P and maturing within two hundred seventy (270) days of the date of acquisition;
- (f) variable or fixed rate notes issued by any issuer rated at least AA by S&P (or the equivalent thereof) or at least Aa2 by Moody’s (or the equivalent thereof) and maturing within one (1) year of the date of acquisition;
- (g) money market funds or programs (x) offered by any commercial or investment bank having capital and surplus in excess of \$500.0 million at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (f) of this definition, (y) offered by any other nationally recognized financial institution (i) at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (f), (ii) are rated AAA and (iii) the fund is at least \$4 billion or (z) registered under the Investment Company Act of 1940, as amended, that are administered by reputable financial institutions having capital and surplus of at least \$500.0 million and the portfolios of which are limited to investments of the character described in the foregoing subclauses hereof; and
- (h) in the case of any Foreign Subsidiary, high quality short-term investments which are customarily used for cash management purposes in any country in which such Foreign Subsidiary operates.

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“*Change of Control*” means the occurrence of one or more of the following events:

(a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Exchange Act and the rules of the Commission thereunder as in effect on the Issue Date) of Equity Interests representing more than 50% (on a fully diluted basis) of the total voting power represented by the issued and outstanding Equity Interests of the Issuer then entitled to vote in the election of the Board of Directors of the Issuer generally;

(b) there shall be consummated any share exchange, consolidation or merger of the Issuer pursuant to which the Issuer’s Equity Interests entitled to vote in the election of the Board of Directors of the Issuer generally would be converted into cash, securities or other property, or the Issuer sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of its assets, in each case other than pursuant to a share exchange, consolidation or merger of the Issuer in which the holders of the Issuer’s Equity Interests entitled to vote in the election of the Board of Directors of the Issuer generally immediately prior to the share exchange, consolidation or merger have, directly or indirectly, at least a majority of the total voting power in the aggregate of all classes of Equity Interests of the continuing or surviving entity entitled to vote in the election of the Board of Directors of such Person generally immediately after the share exchange, consolidation or merger; or

(c) so long as any Ticketmaster Notes are outstanding, the occurrence of a “Change of Control” under the Ticketmaster Notes.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control if (1) the Issuer becomes a direct or indirect wholly-owned subsidiary (the “*Sub Entity*”) of a holding company and (2) holders of securities that represented 100% of the voting power of the Equity Interests of the Issuer immediately prior to such transaction (or other securities into which such securities are converted as part of such merger or consolidation transaction), other than holders receiving solely cash in lieu of fractional shares, own directly or indirectly at least a majority of the voting power of the Equity Interests of such holding company (and no Person or group owns, directly or indirectly, a majority of the voting power of the Equity Interests of such holding company); *provided* that, upon the consummation of any such transaction, “Change of Control” shall thereafter include any Change of Control of any direct or indirect parent of the Sub Entity.

“*Commission*” means the Securities and Exchange Commission.

“*Consolidated Cash Flow*” means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period (i) plus, to the extent deducted in computing Consolidated Net Income:

- (a) provision for taxes based on income, profits or capital;
- (b) Consolidated Interest Expense;
- (c) Consolidated Non-Cash Charges of such Person for such period;

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(d) any extraordinary, non-recurring or unusual losses or expenses, including, without limitation, (i) salary, benefit and other direct savings resulting from workforce reductions by such Person implemented during such Period, (ii) severance or relocation costs or expenses and fees and restructuring costs of such Person during such period, (iii) costs and expenses incurred after the date of this Indenture related to employment of terminated employees incurred by such Person during such period, (iv) costs or charges (other than Consolidated Non-Cash Charges) incurred in connection with any equity offering, Permitted Investment, acquisition, disposition, recapitalization or incurrence or repayment of Indebtedness permitted under this Indenture, including a refinancing thereof, and including any such costs and charges incurred in connection with the Transactions (in each case whether or not successful), and (v) losses realized in connection with any business disposition or any disposition of assets outside the ordinary course of business or the disposition of securities, in each case to the extent deducted in computing such Consolidated Net Income and without regard to any limitations of Item 10(e) of Regulation S-K;

(e) any losses in respect of post-retirement benefits of such Person, as a result of the application of Financial Accounting Standards Board Statement No. 106, to the extent that such losses were deducted in computing such Consolidated Net Income; and

(f) any proceeds from business interruption insurance received by such Person during such period, to the extent the associated losses arising out of the event that resulted in the payment of such business interruption insurance proceeds were included in computing Consolidated Net Income;

(ii) minus, to the extent not excluded from the calculation of Consolidated Net Income, (x) non-cash gain or income of such Person for such period (except to the extent representing an accrual for future cash receipts or a reversal of a reserve that, when established, was not eligible to be a Consolidated Non-Cash Charge) and (y) any extraordinary, non-recurring or unusual gains or income and without regard to any limitations of Item 10(e) of Regulation S-K.

“*Consolidated Fixed Charge Coverage Ratio*” means, with respect to any Person, the ratio of Consolidated Cash Flow of such Person during the most recently ended four full fiscal quarters (the “*Measurement Period*”) ending prior to the date of the transaction giving rise to the need to calculate the Consolidated Fixed Charge Coverage Ratio for which financial statements are available (the “*Transaction Date*”) to Consolidated Fixed Charges of such Person for the Measurement Period. In addition to and without limitation of the foregoing, for purposes of this definition, “Consolidated Cash Flow” and “Consolidated Fixed Charges” shall be calculated after giving effect on a *pro forma* basis for the period of such calculation to:

(A) the incurrence or repayment of any Indebtedness of such Person or any of its Restricted Subsidiaries (and the application of the proceeds thereof) giving rise to the need to make such calculation and any incurrence or repayment of other Indebtedness (and the application of the proceeds thereof), other than the incurrence or repayment of Indebtedness in the ordinary course of business to finance seasonal fluctuations in working capital needs pursuant to working capital facilities, occurring during the Measurement Period or at any time subsequent to the last day of the Measurement Period and on or



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prior to the Transaction Date, as if such incurrence or repayment, as the case may be (and the application of the proceeds thereof), occurred on the first day of the Measurement Period; and

(B) (x) any Asset Sales or other dispositions or Asset Acquisitions (including, without limitation, any Asset Acquisition giving rise to the need to make such calculation as a result of such Person or one of its Restricted Subsidiaries (including any Person who becomes a Restricted Subsidiary as a result of the Asset Acquisition) incurring, assuming or otherwise being liable for Acquired Debt and also including any Consolidated Cash Flow attributable to the assets which are the subject of the Asset Acquisition or Asset Sale or other disposition during the Measurement Period) and (y) operational changes that the Issuer or any of its Restricted Subsidiaries have both determined to make and have made, in each case occurring during the Measurement Period or at any time subsequent to the last day of the Measurement Period and on or prior to the Transaction Date, as if such Asset Sale or other disposition or Asset Acquisition (including the incurrence, assumption or liability for any such Acquired Debt) or operational change had occurred on the first day of the Measurement Period, in each case giving effect to any Pro Forma Cost Savings.

For purposes of this definition, whenever *pro forma* effect is to be given to any *pro forma* event, the *pro forma* calculations will be made in good faith by a responsible financial or accounting officer of the Issuer as set forth in an Officers' Certificate delivered to the Trustee.

Furthermore, in calculating "Consolidated Fixed Charges" for purposes of determining the denominator (but not the numerator) of this "Consolidated Fixed Charge Coverage Ratio":

(1) interest on outstanding Indebtedness determined on a fluctuating basis as of the Transaction Date and which will continue to be so determined thereafter shall be deemed to have accrued at a fixed rate per annum equal to the rate of interest on such Indebtedness in effect on the Transaction Date; and

(2) notwithstanding clause (1) above, interest on Indebtedness determined on a fluctuating basis, to the extent such interest is covered by agreements relating to Hedging Obligations, shall be deemed to accrue at the rate per annum resulting after giving effect to the operation of such agreements.

"Consolidated Fixed Charges" means, with respect to any Person for any period, the sum, without duplication, of:

(1) Consolidated Interest Expense for such period; plus

(2) the amount of all dividend payments on any series of Disqualified Stock of such Person or Preferred Equity Interest of such Person's Restricted Subsidiaries (other than dividends paid in Qualified Capital Stock and other than dividends paid by a Restricted Subsidiary of such Person to such Person or to a Restricted Subsidiary of such Person) paid, accrued or scheduled to be paid or accrued during such period; minus

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(3) the consolidated interest income of such Person and its Restricted Subsidiaries for such period, whether received or accrued, to the extent such income was included in determining Consolidated Net Income.

“*Consolidated Interest Expense*” means, with respect to any Person for any period, consolidated interest expense of such Person for such period, whether paid or accrued, including amortization of original issue discount and its Restricted Subsidiaries, non-cash interest payments and the interest component of Capital Lease Obligations, on a consolidated basis determined in accordance with GAAP, but excluding amortization or write-off of deferred financing fees and expensing of any other financing fees, and the non-cash portion of interest expense resulting from the reduction in the carrying value under purchase accounting of outstanding Indebtedness; *provided* that, for purposes of calculating consolidated interest expense, no effect will be given to the discount and/or premium resulting from the bifurcation of derivatives in accordance with the Financial Accounting Standards Board Accounting Standards Codification as a result of the terms of the Indebtedness to which such consolidated interest expense applies; *provided, further*, that with respect to the calculation of the consolidated interest expense of the Issuer, the interest expense of Unrestricted Subsidiaries and any Person that is not a Subsidiary shall be excluded.

“*Consolidated Net Income*” means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP, and without reduction for any dividend on Preferred Equity Interests; *provided, however*, that:

(a) the Net Income of any Person that is not a Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person, in the case of a gain, or to the extent of any contributions or other payments by the referent Person, in the case of a loss;

(b) the Net Income of any Person that is a Subsidiary that is not a Restricted Subsidiary shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person;

(c) solely for purposes of Section 4.07, the Net Income of any Subsidiary of such Person that is not a Guarantor shall be excluded to the extent that the declaration or payment of dividends or similar distributions is not at the time permitted by operation of the terms of its charter or bylaws or any other agreement, instrument, judgment, decree, order, statute, rule or government regulation to which it is subject; *provided* that the Consolidated Net Income of such Person will be increased by the amount of dividends or distributions or other payments actually paid in cash (or converted to cash) by any such Subsidiary to such Person in respect of such period, to the extent not already included therein;

(d) the cumulative effect of a change in accounting principles shall be excluded;

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(e) any after-tax effect of income (loss) (x) from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments, (y) from sales or dispositions of assets (other than in the ordinary course of business), or (z) that is extraordinary, non-recurring or unusual (without regard to any limitations of Item 10(e) of Regulation S-K), in each case, shall be excluded;

(f) any non-cash compensation expense recorded from grants and periodic remeasurements of stock appreciation or similar rights, stock options, restricted stock or other rights shall be excluded;

(g) any non-cash impairment charge or asset write-off, in each case, pursuant to GAAP, and the amortization of intangibles arising pursuant to GAAP shall be excluded;

(h) any fees, expenses and other charges in connection with the Transactions or any acquisition, investment, asset disposition, issuance or repayment of debt, issuance of Equity Interests, refinancing transaction or amendment or other modification of any debt instrument shall be excluded; and

(i) gains and losses resulting solely from fluctuations in foreign currencies shall be excluded.

“*Consolidated Non-Cash Charges*” means, with respect to any Person for any period, the aggregate depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period), impairment, compensation, rent, other non-cash expenses and write-offs and write-downs of assets (including non-cash charges, losses or expenses attributable to the movement in the mark-to-market valuation of Hedging Obligations pursuant to Financial Accounting Standards Board Statement No. 133 or in connection with the early extinguishment of Hedging Obligations) of such Person and its Restricted Subsidiaries reducing Consolidated Net Income of such Person for such period on a consolidated basis and otherwise determined in accordance with GAAP, but excluding (i) any such charge which consists of or requires an accrual of, or cash reserve for, anticipated cash charges for any future period and (ii) the non-cash impact of recording the change in fair value of any embedded derivatives in accordance with the Financial Accounting Standards Board Accounting Standards Codification as a result of the terms of any agreement or instrument to which such Consolidated Non-Cash Charges relate.

“*Consolidated Secured Indebtedness Leverage Ratio*” means, as of any date of determination, the ratio of (1) the Total Secured Debt as of such date of determination to (2) Consolidated Cash Flow of the Issuer for the period of the most recent four consecutive fiscal quarters for which internal financial statements are available, with such *pro forma* and other adjustments to each of Total Secured Debt and Consolidated Cash Flow as are appropriate and consistent with the *pro forma* and other adjustment provisions set forth in the definition of Consolidated Fixed Charge Coverage Ratio.

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“*Consolidated Total Assets*” shall mean, as of any date of determination for any Person, the total assets of such Person and its Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of such Person immediately preceding such date of determination.

“*continuing*” means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

“*Corporate Trust Office of the Trustee*” means the principal office of the Trustee at which at any time its corporate trust business shall be administered, which office at the dated hereof is located at 700 S. Flower Street, Suite 500, Los Angeles, CA 90017, Attention: Corporate Unit, or such other address as the Trustee may designate from time to time by notice to the Holders and the Issuer, or the principal corporate trust office of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the Holders and the Issuer).

“*Credit Agreement*” means the credit agreement dated as of the Issue Date by and among the Issuer, as borrower, certain Foreign Subsidiaries, as foreign borrowers, the lenders party thereto from time to time, JPMorgan Chase Bank, N.A., as administrative agent, and Goldman Sachs Credit Partners, L.P. and Deutsche Bank Trust Company Americas, as co-syndication agents, together with the related documents thereto (including, without limitation, any guarantee agreements and security documents) as such agreement or facility may be amended (including any amendment and restatement thereof), supplemented or otherwise modified from time to time, including any agreement exchanging, extending the maturity of, refinancing, renewing, replacing, substituting or otherwise restructuring, whether in the bank or debt capital markets (or combination thereof) (including increasing the amount of available borrowings thereunder or adding or removing Subsidiaries as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement or facility or any successor or replacement agreement or facility.

“*Credit Facilities*” means one or more credit agreements or debt facilities to which the Issuer and/or one or more of its Restricted Subsidiaries is party from time to time (including without limitation the Credit Agreement), in each case with banks, investment banks, insurance companies, mutual funds or other lenders or institutional investors providing for revolving credit loans, term loans, debt securities, bankers acceptances, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case as such agreements or facilities may be amended (including any amendment and restatement thereof), supplemented or otherwise modified from time to time, including any agreement exchanging, extending the maturity of, refinancing, renewing, replacing, substituting or otherwise restructuring, whether in the bank or debt capital markets (or combination thereof) (including increasing the amount of available borrowings thereunder or adding or removing Subsidiaries as borrowers or guarantors thereunder) all or any portion of the Indebtedness under such agreement or facility or any successor or replacement agreement or facility.

“*Default*” means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

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“*Definitive Note*” means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A hereto except that such Note shall not bear the Global Note Legend and shall not have the “Schedule of Exchanges of Interests in the Global Note” attached thereto.

“*Depository*” means The Depository Trust Company and any and all successors thereto appointed as depository hereunder and having become such pursuant to an applicable provision hereof.

“*Designated Preferred Stock*” means Preferred Equity Interests of the Issuer (other than Disqualified Stock) that is issued for cash (other than to any of the Issuer’s Subsidiaries or an employee stock plan or trust established by the Issuer or any of its Subsidiaries) and is so designated as Designated Preferred Stock, pursuant to an Officers’ Certificate, on the date of issuance thereof, the cash proceeds of which are excluded from the calculation set forth in Section 4.07(a)(3).

“*Disqualified Stock*” means any Capital Stock which, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the Holder thereof, in whole or in part, on or prior to the date on which the Notes mature; *provided, however*, that any such Capital Stock may require the issuer of such Capital Stock to make an offer to purchase such Capital Stock upon the occurrence of certain events if the terms of such Capital Stock provide that such an offer may not be satisfied and the purchase of such Capital Stock may not be consummated until the 91st day after the purchase of the Notes as required by Section 4.15.

“*Domestic Restricted Subsidiaries*” shall mean all Restricted Subsidiaries that are Domestic Subsidiaries.

“*Domestic Subsidiary*” shall mean any Subsidiary other than a Foreign Subsidiary.

“*Eligible Institution*” means a commercial banking institution that has combined capital and surplus of not less than \$500.0 million or its equivalent in foreign currency, whose debt is rated by at least two nationally recognized statistical rating organizations in one of each such organization’s four highest generic rating categories at the time as of which any investment or rollover therein is made.

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

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*Existing Indebtedness*” means any Indebtedness (other than the Notes and the Guarantees) of the Issuer and its Subsidiaries in existence on the Issue Date after giving effect to consummation of the Transactions.

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“*Fair Market Value*” means the value (which, for the avoidance of doubt, will take into account any liabilities associated with related assets) that would be paid by a willing buyer to an unaffiliated willing seller in an arm’s-length transaction not involving distress or compulsion of either party, determined in good faith by the Board of Directors of the Issuer (unless otherwise provided in this Indenture).

“*Foreign Currency Obligations*” means, with respect to any Person, the obligations of such Person pursuant to any foreign exchange contract, currency swap agreement or other similar agreement or arrangement designed to protect the Issuer or any Restricted Subsidiary of the Issuer against fluctuations in currency values.

“*Foreign Subsidiary*” shall mean (i) any Subsidiary that is not incorporated, formed or organized under the laws of the United States of America, any state thereof or the District of Columbia and (ii) any Subsidiary of a Subsidiary described in the foregoing clause (i).

“*GAAP*” means United States generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are applicable as of the date of determination; *provided* that, except as otherwise specifically provided, all calculations made for purposes of determining compliance with the terms of the provisions of this Indenture shall utilize GAAP as in effect on the Issue Date.

“*Global Note Legend*” means the legend set forth in Section 2.01(b) hereof, which is required to be placed on all Global Notes issued under this Indenture.

“*Global Notes*” means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes, substantially in the form of Exhibit A hereto issued in accordance with Section 2.01 or 2.06 hereof.

“*Government Securities*” means direct obligations of, or obligations guaranteed or insured by, the United States or any agency or instrumentality thereof for the payment of which guarantee or obligations the full faith and credit of the United States is pledged.

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

“*Guarantee*” means a guarantee by a Guarantor of the Notes.

“*Guarantor*” means any direct or indirect Domestic Restricted Subsidiary of the Issuer that guarantees the Notes and its successors and assigns.

“*Hedging Obligations*” means, with respect to any Person, the obligations of such Person pursuant to any arrangement with any other Person, whereby, directly or indirectly, such Person is entitled to receive from time to time periodic payments calculated by applying either floating

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or a fixed rate of interest on a stated notional amount in exchange for periodic payments made by such other Person calculated by applying a fixed or a floating rate of interest on the same notional amount and shall include, without limitation, interest rate swaps, caps, floors, collars and similar agreements designed to protect such Person against fluctuations in interest rates.

“*Holder*” means, with respect to any Note, the Person in whose name such Note is registered with the Registrar.

“*Indebtedness*” means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof, but excluding, in any case, any undrawn letters of credit) or representing the balance deferred and unpaid of the purchase price of any property (including pursuant to capital leases) or representing any Hedging Obligations or Foreign Currency Obligations, except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing (other than Hedging Obligations or Foreign Currency Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, and also includes, to the extent not otherwise included, the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock or, with respect to any Restricted Subsidiary of such Person, the liquidation preference with respect to, any Preferred Equity Interests (but excluding, in each case, any accrued dividends) as well as the guarantee of items that would be included within this definition.

“*Indenture*” means this Indenture, as amended or supplemented from time to time.

“*Independent Financial Advisor*” means a Person or entity which, in the judgment of the Board of Directors of the Issuer, is independent and otherwise qualified to perform the task for which it is to be engaged.

“*Indirect Participant*” means a Person who holds a beneficial interest in a Global Note through a Participant.

“*Initial Notes*” means the \$250,000,000 in aggregate principal amount of 8.125% Senior Notes due 2018 of the Issuer issued under this Indenture on the Issue Date.

“*Initial Purchasers*” means, with respect to the Initial Notes, J.P. Morgan Securities Inc., Goldman, Sachs & Co., Deutsche Bank Securities Inc., Banc of America Securities LLC, RBS Securities Inc., Scotia Capital (USA) Inc., Wells Fargo Securities, LLC, HSBC Securities (USA) Inc., Morgan Stanley & Co. Incorporated, and Mitsubishi UFJ Securities (USA), Inc.

“*Investment Grade*” designates a rating of BBB- or higher by S&P or Baa3 or higher by Moody’s or the equivalent of such ratings by S&P or Moody’s. In the event that the Issuer shall select any other Rating Agency, the equivalent of such ratings by such Rating Agency shall be used.

“*Investment Grade Securities*” means:

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(a) securities issued or directly and fully guaranteed or insured by the U.S. government or any agency or instrumentality thereof (other than Cash Equivalents) and in each case with maturities not exceeding two years from the date of acquisition;

(b) securities that have a rating equal to or higher than Baa3 (or the equivalent) by Moody's or BBB- (or the equivalent) by S&P, or an equivalent rating by any other "nationally recognized statistical rating organization" within the meaning of Rule 15c3-1(c)(2)(vi) (F) under the Exchange Act;

(c) Investments in any fund that invests at least 95% of its assets in Investments of the type described in clauses (a) and (b) which fund may also hold immaterial amounts of cash pending investment and/or distribution; and

(d) corresponding instruments in countries other than the United States customarily utilized for high quality Investments and in each case with maturities not exceeding two years from the date of acquisition.

*"Investments"* means, with respect to any Person, all investments by such Person in other persons (including Affiliates) in the forms of loans (including guarantees), advances or capital contributions, purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities and all other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP (excluding accounts receivable, deposits and prepaid expenses in the ordinary course of business, endorsements for collection or deposits arising in the ordinary course of business, guarantees and intercompany notes permitted by Section 4.09, and commission, travel and similar advances to officers and employees made in the ordinary course of business). For purposes of Section 4.07, the sale of Equity Interests of a Person that is a Restricted Subsidiary following which such Person ceases to be a Subsidiary shall be deemed to be an Investment by the Issuer in an amount equal to the Fair Market Value of the Equity Interests of such Person held by the Issuer and its Restricted Subsidiaries immediately following such sale.

*"Issue Date"* means May 6, 2010.

*"Legal Holiday"* means a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed.

*"Lien"* means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement and any lease in the nature thereof).

*"Make Whole Amount"* means, with respect to any Note at any redemption date, as determined by the Issuer, the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess, if any, of (A) an amount equal to the present value of (1) the redemption price of such Note at May 15, 2014 plus (2) the remaining scheduled interest payments on the Notes to be redeemed (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date) to May 15, 2014 (other than interest accrued to the redemption



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date), computed using a discount rate equal to the Treasury Rate plus 50 basis points over (B) the principal amount of the Notes to be redeemed.

“*Marketable Securities*” means: (a) Government Securities; (b) any certificate of deposit maturing not more than 365 days after the date of acquisition issued by, or time deposit of, an Eligible Institution; (c) commercial paper maturing not more than 365 days after the date of acquisition issued by a corporation (other than an Affiliate of the Issuer) with a rating by at least two nationally recognized statistical rating organizations in one of each such organization’s four highest generic rating categories at the time as of which any investment therein is made, issued or offered by an Eligible Institution; (d) any bankers’ acceptances or money market deposit accounts issued or offered by an Eligible Institution; and (e) any fund investing exclusively in investments of the types described in clauses (a) through (d) above.

“*Moody’s*” means Moody’s Investors Service, Inc.

“*Net Income*” means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP.

“*Net Proceeds*” means the aggregate cash proceeds received by the Issuer or any of its Restricted Subsidiaries, as the case may be, in respect of any Asset Sale, net of the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, and sales commissions) and any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof (estimated reasonably and in good faith by the Issuer and after taking into account any available tax credits or deductions and any tax sharing arrangements), amounts required to be applied to the repayment of Indebtedness secured by a Lien on the asset or assets that are the subject of such Asset Sale, any reserve for adjustment in respect of the sale price of such asset or assets and any reserve in accordance with GAAP against any liabilities associated with the asset disposed of in such Asset Sale and retained by the Issuer or any of its Subsidiaries after such Asset Sale, including pension and other post-employment benefit liabilities and liabilities related to environmental matters, or against any indemnification obligations associated with such Asset Sale. Net Proceeds shall exclude any non-cash proceeds received from any Asset Sale, but shall include such proceeds when and as converted by the Issuer or any Restricted Subsidiary to cash.

“*Non-U.S. Person*” means a Person who is not a U.S. Person.

“*Notes*” means the Initial Notes and any other notes issued after the Issue Date in accordance with the fourth paragraph of Section 2.02 hereof treated as a single class of securities.

“*Obligations*” means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

“*Offering Memorandum*” means the offering memorandum, dated April 22, 2010, relating to and used in connection with the initial offering of the Initial Notes.

“*Officer*” means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the

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Treasurer, any Assistant Treasurer, Controller, Secretary or any Vice President of such Person, or any other officer designated by the Board of Directors.

“*Officers’ Certificate*” means a certificate signed on behalf of the Issuer by two Officers of such Person or of such Person’s partner or managing member, one of whom must be the principal executive officer, principal financial officer, treasurer or principal accounting officer of such Person or of such Person’s partner or managing member, that meets the requirements of Section 11.05.

“*Opinion of Counsel*” means an opinion, satisfactory to the Trustee, from legal counsel, who may be an employee of or counsel to the Issuer or any Subsidiary of the Issuer, that meets the requirements of Section 11.05.

“*Participant*” means, with respect to the Depositary, a Person who has an account with the Depositary.

“*Permitted Business*” means the businesses of the Issuer and its Restricted Subsidiaries conducted (or proposed to be conducted) on the Issue Date and any business reasonably related, ancillary or complimentary thereto and any reasonable extension or evolution of any of the foregoing.

“*Permitted Investments*” means:

- (a) Investments in the Issuer or in a Restricted Subsidiary;
- (b) Investments in Cash Equivalents, Marketable Securities and Investment Grade Securities;
- (c) any guarantee of obligations of the Issuer or a Restricted Subsidiary permitted by Section 4.09;

(d) Investments by the Issuer or any of its Subsidiaries in a Person if, as a result of such Investment: (i) such Person becomes a Restricted Subsidiary or (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary;

(e) Investments received in settlement of debts and owing to the Issuer or any of its Restricted Subsidiaries, in satisfaction of judgments, in a foreclosure of a Lien or as payment on a claim made in connection with any bankruptcy, liquidation, receivership or other insolvency proceeding;

(f) any Investment existing on, or made pursuant to binding commitments existing on, the Issue Date and any Investment consisting of an extension, modification, renewal, replacement, refunding or refinancing of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; *provided* that the amount of any such Investment may be increased (i) as required by the terms of such Investment as in existence on the Issue Date or (ii) as otherwise permitted under this Indenture;

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(g) Investments in any Person to the extent such Investment represents the non-cash portion of the consideration received for an Asset Sale that was made pursuant to and in compliance with Section 4.10 or for an asset disposition that does not constitute an Asset Sale;

(h) loans or advances or other similar transactions with customers, distributors, clients, developers, suppliers or purchasers or sellers of goods or services, in each case, in the ordinary course of business, regardless of frequency;

(i) other Investments in an amount not to exceed the greater of \$100.0 million and 2.0% of Consolidated Total Assets at the time of such Investment (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value) at any one time outstanding for all Investments made after the Issue Date; *provided, however*, that if any Investment pursuant to this clause (i) is made in any Person that is not a Restricted Subsidiary of the Issuer at the date of the making of such Investment and such Person becomes a Restricted Subsidiary of the Issuer after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (a) above and shall cease to have been made pursuant to this clause (i) for so long as such Person continues to be a Restricted Subsidiary;

(j) any Investment solely in exchange for, or made with the proceeds of, the issuance of the Issuer's Qualified Capital Stock;

(k) any investment in connection with Hedging Obligations and Foreign Currency Obligations otherwise permitted under this Indenture;

(l) any contribution of any Investment in a joint venture or partnership that is not a Restricted Subsidiary to a Person that is not a Restricted Subsidiary in exchange for an Investment in the Person to whom such contribution is made;

(m) any Investment in any joint venture engaged in a Permitted Business, including without limitation by contribution of assets of any Restricted Subsidiary, not to exceed \$75.0 million outstanding at any time for Investments made after the Issue Date (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value);

(n) any Investment acquired after the Issue Date as a result of the acquisition by the Issuer or any of its Restricted Subsidiaries of another Person, including by way of a merger, amalgamation or consolidation with or into the Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by this Indenture after the Issue Date to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(o) any Investment consisting of deposits, prepayments and other credits to artists, suppliers or landlords made in the ordinary course of business;

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(p) guaranties made in the ordinary course of business of obligations owed to artists, landlords, suppliers, customers and licensees of the Issuer or any of its Subsidiaries;

(q) loans and advances to officers, directors and employees for business-related travel expenses, moving and relocation expenses and other similar expenses, in each case incurred in the ordinary course of business;

(r) any Investment consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons; and

(s) any Investment consisting of purchases and acquisitions of inventory, supplies, materials and equipment or purchases of contract rights or licenses of intellectual property or leases, in each case, in the ordinary course of business.

“*Permitted Liens*” means:

(a) Liens securing the Notes and Liens securing any Guarantee;

(b) Liens securing (x) Indebtedness under any Credit Facility (and related Hedging Obligations and cash management obligations to the extent such Liens arise under the definitive documentation governing such Indebtedness and the incurrence of such obligations is not otherwise prohibited by this Indenture) permitted by Sections 4.09(b)(2) and 4.09(b)(11) and (y) other Indebtedness permitted under Section 4.09; *provided* that in the case of any such Indebtedness described in this subclause (y), such Indebtedness, when aggregated with the amount of Indebtedness of the Issuer and the Guarantors which is secured by a Lien, does not cause the Consolidated Secured Indebtedness Leverage Ratio to exceed 2.75 to 1.0 as of the last day of the most recent quarter for which internal financial statements are available on the date such Indebtedness is incurred;

(c) Liens securing (i) Hedging Obligations and Foreign Currency Obligations permitted to be incurred under Section 4.09 and (ii) cash management obligations not otherwise prohibited by this Indenture;

(d) Liens securing Purchase Money Indebtedness permitted under Section 4.09(b)(6); *provided* that such Liens do not extend to any assets of the Issuer or its Restricted Subsidiaries other than the assets so acquired, constructed, installed or improved, products and proceeds thereof and insurance proceeds with respect thereto;

(e) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Issuer or any of its Restricted Subsidiaries; *provided* that such Liens were not incurred in connection with, or in contemplation of, such merger or consolidation and do not apply to any assets other than the assets of the Person acquired in such merger or consolidation;

(f) Liens on property of an Unrestricted Subsidiary at the time that it is designated as a Restricted Subsidiary pursuant to the definition of “Unrestricted Subsidiary”;

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*provided* that such Liens were not incurred in connection with, or contemplation of, such designation;

(g) Liens on property existing at the time of acquisition thereof by the Issuer or any Restricted Subsidiary of the Issuer; *provided* that such Liens were not incurred in connection with, or in contemplation of, such acquisition and do not extend to any assets of the Issuer or any of its Restricted Subsidiaries other than the property so acquired, constructed, installed or improved, products and proceeds thereof and insurance proceeds with respect thereto;

(h) Liens to secure the performance of statutory obligations, surety or appeal bonds or performance bonds, or landlords', carriers', warehousemen's, mechanics', suppliers', materialmen's or other like Liens, in any case incurred in the ordinary course of business and with respect to amounts not yet delinquent or being contested in good faith by appropriate process of law, if a reserve or other appropriate provision, if any, as is required by GAAP is made therefor;

(i) Liens existing on the Issue Date;

(j) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings; *provided* that any reserve or other appropriate provision as shall be required in conformity with GAAP is made therefor;

(k) Liens securing Indebtedness permitted under Section 4.09(b)(10) *provided* that such Liens shall not extend to assets other than the assets that secure such Indebtedness being refinanced;

(l) Liens (other than Liens created or imposed under ERISA) incurred or deposits made by the Issuer or any of its Restricted Subsidiaries in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(m) easements, rights-of-way, covenants, restrictions (including zoning restrictions), minor defects or irregularities in title and other similar charges or encumbrances not, in any material respect, impairing the use of the encumbered property for its intended purposes;

(n) licenses, sublicenses, leases or subleases granted to others not interfering in any material respect with the business of the Issuer or its Restricted Subsidiaries;

(o) 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 and Liens deemed to exist in connection with Investments in repurchase agreements that constitute Cash Equivalents;

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- (p) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;
  - (q) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;
  - (r) Liens not provided for in clauses (a) through (q) above so long as the Notes are secured by the assets subject to such Liens on an equal and ratable basis or on a basis prior to such Liens; *provided* that to the extent that such Lien secured Indebtedness that is subordinated to the Notes, such Lien shall be subordinated to and be later in priority than the Notes on the same basis;
  - (s) Liens securing Indebtedness of any Foreign Subsidiary incurred in accordance with Section 4.09(b)(15);
  - (t) Liens in favor of the Issuer or any Guarantor;
  - (u) Liens securing reimbursement obligations with respect to commercial letters of credit which solely encumber goods and/or documents of title and other property relating to such letters of credit and products and proceeds thereof;
  - (v) extensions, renewals or refundings of any Liens referred to in clause (e), (g) or (i) above; *provided* that any such extension, renewal or refunding does not extend to any assets or secure any Indebtedness not securing or secured by the Liens being extended, renewed or refinanced;
  - (w) other Liens securing Indebtedness that is permitted by the terms of this Indenture to be outstanding having an aggregate principal amount at any one time outstanding not to exceed \$75.0 million;
  - (x) Liens incurred to secure any treasury management arrangement; and
  - (y) Liens on Equity Interests of Unrestricted Subsidiaries.

“*Person*” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust or unincorporated organization (including any subdivision or ongoing business of any such entity or substantially all of the assets of any such entity, subdivision or business).

“*Preferred Equity Interest*” in any Person, means an Equity Interest of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over Equity Interests of any other class in such Person.

“*Private Placement Legend*” means the legend set forth in Section 2.01 hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions hereof.

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“*Pro Forma Cost Savings*” means, with respect to any period, the reduction in net costs and expenses and related adjustments that (i) were directly attributable to an acquisition, merger, consolidation, disposition or operational change that occurred during the four-quarter reference period or subsequent to the four-quarter reference period and on or prior to the date of determination and calculated on a basis that is consistent with Regulation S-X under the Securities Act, (ii) were actually implemented by the business that was the subject of any such acquisition, merger, consolidation, disposition or operational change or by any related business of the Issuer or any Restricted Subsidiary with which such business is proposed to be or is being or has been integrated within 12 months after the date of the acquisition, merger, consolidation, disposition or operational change and prior to the date of determination that are supportable and quantifiable by the underlying accounting records of any such business, or (iii) relate to (x) either Ticketmaster Entertainment or Live Nation Entertainment, Inc. in connection with the Acquisition or (y) the business that is the subject of any such acquisition, merger, consolidation or disposition or any related business of the Issuer or any Restricted Subsidiary with which such business is proposed to be or is being or has been integrated and that are probable in the reasonable judgment of the Issuer based upon specifically identifiable actions to be taken within 12 months of the date of the acquisition, merger, consolidation or disposition, in each case regardless of whether such reductions and related adjustments could then be reflected in *pro forma* financial statements in accordance with Regulation S-X under the Securities Act or any other regulation or policy related thereto, as if all such reductions and related adjustments had been effected as of the beginning of such period. Pro Forma Cost Savings described above shall be accompanied by an Officers’ Certificate delivered to the Trustee from a responsible financial or accounting officer of the Issuer that outlines the actions taken or to be taken, the net cost savings or operating improvements achieved or expected to be achieved from such actions and that, in the case of clause (iii) above, such savings have been determined by the Issuer to be reasonably probable.

“*Purchase Money Indebtedness*” means Indebtedness (including Capital Lease Obligations) incurred (within 365 days of such purchase) to finance or refinance the purchase (including in the case of Capital Lease Obligations the lease), construction, installation or improvement of any assets used or useful in a Permitted Business (whether through the direct purchase of assets or through the purchase of Capital Stock of any Person owning such assets); *provided* that the amount of Indebtedness thereunder does not exceed 100% of the purchase cost of such assets and costs incurred in such construction, installation or improvement.

“*QIB*” means a “qualified institutional buyer” as defined in Rule 144A.

“*Qualified Capital Stock*” means any Capital Stock of the Issuer that is not Disqualified Stock.

“*Rating Agencies*” means:

(a) S&P;

(b) Moody’s; or

(c) if S&P or Moody’s or both shall not make a rating of the Notes publicly available, a nationally recognized securities rating agency or agencies, as the case may

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be, selected by the Issuer, which shall be substituted for S&P or Moody's or both, as the case may be.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Global Note*" means a Global Note bearing the Private Placement Legend and deposited with or on behalf of the Depository and registered in the name of the Depository or its nominee, issued in an initial denomination equal to the outstanding principal amount of the Notes initially sold in reliance on Rule 903 of Regulation S.

"*Responsible Officer*," when used with respect to the Trustee, means any officer within the Corporate Trust Office of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"*Restricted Definitive Note*" means a Definitive Note bearing the Private Placement Legend.

"*Restricted Global Note*" means a Global Note bearing the Private Placement Legend.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Period*" means the relevant 40-day distribution compliance period as defined in Regulation S.

"*Restricted Subsidiary*" or "*Restricted Subsidiaries*" means any Subsidiary, other than Unrestricted Subsidiaries.

"*Rule 144*" means Rule 144 promulgated under the Securities Act.

"*Rule 144A*" means Rule 144A promulgated under the Securities Act.

"*Rule 903*" means Rule 903 promulgated under the Securities Act.

"*Rule 904*" means Rule 904 promulgated under the Securities Act.

"*S&P*" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., and its subsidiaries, or any successor to the rating agency business thereof.

"*Securities Act*" means the Securities Act of 1933, as amended.

"*Secured Indebtedness*" means any Indebtedness secured by a Lien on any assets of the Issuer or any Domestic Restricted Subsidiary.



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“*Significant Subsidiary*” means any Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

“*Subordinated Indebtedness*” means Indebtedness of the Issuer or any Restricted Subsidiary that is expressly subordinated in right of payment to the Notes or the Guarantees, as the case may be.

“*Subsidiary*” or “*Subsidiaries*” means, with respect to any Person, any corporation, limited liability company, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof or any Person that is a consolidated subsidiary of the Issuer under GAAP and designated as a Subsidiary in a certificate to the Trustee by a responsible financial or accounting officer of the Issuer.

“*TIA*” means the Trust Indenture Act of 1939 as in effect on the date hereof.

“*Ticketmaster Notes*” means the 10.75% Senior Notes due 2016 of Ticketmaster Entertainment LLC or any successor in interest thereto.

“*Total Secured Debt*” means, as of any date of determination, the aggregate principal amount of Secured Indebtedness of the Issuer and the Guarantors (other than Hedging Obligations and cash management obligations to the extent permitted by this Indenture) outstanding on such date, determined on a consolidated basis.

“*Transactions*” means the Acquisition, the transactions described in the Offering Memorandum under the caption “Summary—Related transactions,” the issuance of the Notes on the Issue Date, the initial borrowings under the Credit Agreement and the other transactions undertaken in connection with the foregoing to the extent not inconsistent with the Offering Memorandum or the *pro forma* financial statements contained or incorporated by reference in the Offering Memorandum.

“*Treasury Rate*” means, at the time of computation, the yield to maturity of United States Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) which has become publicly available at least two Business Days prior to the redemption date or, if such statistical release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the redemption date to May 15, 2014; *provided, however*, that if the period from the redemption date to May 15, 2014 is not equal to the constant maturity of a United States Treasury Security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury Securities for which such yields are given, except that if the period from the redemption date to May 15, 2014 is less than one year, the weekly average yield on actually traded United States Treasury Securities adjusted to a constant maturity of one year shall be used.

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“Trustee” means The Bank of New York Mellon Trust Company, N.A. until a successor replaces The Bank of New York Mellon Trust Company, N.A. in accordance with the applicable provisions hereof and thereafter means the successor serving hereunder.

“Unrestricted Definitive Note” means one or more Definitive Notes that do not bear and are not required to bear the Private Placement Legend.

“Unrestricted Global Note” means a permanent Global Note substantially in the form of Exhibit A attached hereto that bears the Global Note Legend and that has the “Schedule of Exchanges of Interests in the Global Note” attached thereto, and that is deposited with or on behalf of and registered in the name of the Depository, representing Notes that do not bear the Private Placement Legend.

“Unrestricted Subsidiary” or “Unrestricted Subsidiaries” means (A) Echomusic, LLC; (B) any Subsidiary designated as an Unrestricted Subsidiary in a resolution of the Issuer’s Board of Directors in accordance with the instructions set forth below; and (C) any Subsidiary of an Unrestricted Subsidiary.

The Issuer’s Board of Directors may designate any Subsidiary (including any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary so long as:

- (a) no portion of the Indebtedness or any other obligation (contingent or otherwise) thereof, immediately after such designation, (i) is guaranteed by the Issuer or any of its Restricted Subsidiaries; (ii) is recourse to the Issuer or any of its Restricted Subsidiaries; or (iii) subjects any property or asset of the Issuer or any of its Restricted Subsidiaries to satisfaction thereof;
- (b) except as otherwise permitted by this Indenture (including by Section 4.11), neither the Issuer nor any other Subsidiary (other than another Unrestricted Subsidiary) has any contract, agreement, arrangement or understanding with such Subsidiary, written or oral, other than on terms no less favorable to the Issuer or such other Subsidiary than those that might be obtained at the time from Persons who are not the Issuer’s Affiliates; and
- (c) neither the Issuer nor any other Subsidiary (other than another Unrestricted Subsidiary) has any obligation (i) to subscribe for additional shares of Capital Stock of such Subsidiary or other equity interests therein; or (ii) to maintain or preserve such Subsidiary’s financial condition or to cause such Subsidiary to achieve certain levels of operating results.

If at any time after the Issue Date the Issuer designates an additional Subsidiary as an Unrestricted Subsidiary, the Issuer will be deemed to have made a Restricted Investment in an amount equal to the Fair Market Value (as determined in good faith by the Issuer’s Board of Directors evidenced by a resolution of the Issuer’s Board of Directors and set forth in an Officers’ Certificate delivered to the Trustee no later than ten Business Days following a request from the Trustee) of such Subsidiary. An Unrestricted Subsidiary may be designated as a Restricted Subsidiary if, at the time of such designation after giving *pro forma* effect thereto, no Default or Event of Default shall have occurred or be continuing.

“U.S. Person” means a U.S. Person as defined in Rule 902(k) under the Securities Act.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the total of the product obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (b) the then outstanding principal amount of such Indebtedness.

SECTION 1.02. *Other Definitions.*

<u>Term</u>	<u>Defined in Section</u>
“Affiliate Transaction”	4.11
“Change of Control Offer”	4.15
“Change of Control Payment”	4.15
“Change of Control Payment Date”	4.15
“Covenant Defeasance”	8.04
“Covenant Suspension Event”	4.16
“DTC”	2.01(b)
“Event of Default”	6.01
“Excess Proceeds”	4.10
“Excess Proceeds Offer”	3.08(a)
“Global Note Legend”	2.01(b)
“incur”	4.09
“Issuer”	Preamble
“Legal Defeasance”	8.03
“Measurement Period”	“Consolidated Fixed Charge Coverage - Ratio”
“Offer Amount”	3.08(b)
“Offer Period”	3.08(b)
“Paying Agent”	2.03
“Payment Default”	6.01(e)
“Private Placement Legend”	2.01(c)
“Purchase Date”	3.08(b)
“Refinancing Indebtedness”	4.09(b)(ii)
“Registrar”	2.03
“Regulation S Temporary Global Note Legend”	2.01(d)
“Restricted Payments”	4.07
“Reversion Date”	4.16(c)
“Rule 144”	2.01(c)
“Sub Entity”	“Change of Control”
“Suspended Covenants”	4.16(a)
“Suspension Period”	4.16(b)

**SECTION 1.03. *Incorporation by Reference of Trust Indenture Act.***

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part hereof.

The following TIA terms used in this Indenture have the following meanings:

“*indenture securities*” means the Notes;

“*indenture security holder*” means a Holder of a Note;

“*indenture to be qualified*” means this Indenture;

“*indenture trustee*” or “*institutional trustee*” means the Trustee; and

“*obligor*” on the Notes means each of the Issuer and any successor obligor upon the Notes.

All other terms used in this Indenture that are defined by the TIA, defined by reference to another statute or defined by the Commission rule under the TIA have the meanings so assigned to them.

**SECTION 1.04. *Rules of Construction.***

Unless the context otherwise requires,

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) “or” is not exclusive and “including” means “including without limitation”;

(4) words in the singular include the plural, and in the plural include the singular;

(5) provisions apply to successive events and transactions; and

(6) references to sections of or rules under the Securities Act shall be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

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SECTION 1.05. *Acts of Holders; Record Dates.*

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders shall be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in Person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Issuer. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose hereof and conclusive in favor of the Trustee and the Issuer, if made in the manner provided in this Section 1.05.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to such Person the execution thereof. Where such execution is by a signer acting in a capacity other than such Person's individual capacity, such certificate or affidavit shall also constitute sufficient proof of such Person's authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The Issuer may, in the circumstances permitted by the TIA, fix any date as the record date for the purpose of determining the Holders entitled to give or take any request, demand, authorization, direction, notice, consent, waiver or other action, or to vote on any action, authorized or permitted to be given or take by Holders. If not set by the Issuer prior to the first solicitation of a Holder made by any Person in respect of any such action, or, in the case of any such vote, prior to such vote, the record date for any such action or vote shall be the 30th day (or, if later, the date of the most recent list of Holders required to be provided pursuant to Section 2.05 hereof) prior to such first solicitation or vote, as the case may be. With regard to any record date, only the Holders on such date (or their duly designated proxies) shall be entitled to give or take, or vote on, the relevant action.

ARTICLE 2

THE NOTES

SECTION 2.01. *Form and Dating.*

(a) The Notes and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A hereto, the terms of which are incorporated in and made a part hereof. The Notes may have notations, legends or endorsements approved as to form by the Issuer, and required by law, stock exchange rule, agreements to which the Issuer is subject or usage. Each Note shall be dated the date of its authentication. The Notes shall be issuable only in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

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(b) The Notes shall initially be issued in the form of one or more Global Notes and The Depository Trust Company (“DTC”), its nominees, and their respective successors, shall act as the Depository with respect thereto. Each Global Note shall (i) be registered in the name of the Depository for such Global Note or the nominee of such Depository, (ii) shall be delivered by the Trustee to such Depository or pursuant to such Depository’s instructions, and (iii) shall bear a legend (the “*Global Note Legend*”) in substantially the following form:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE AND IS REGISTERED IN THE NAME OF THE DEPOSITARY OR A NOMINEE OF THE DEPOSITARY OR A SUCCESSOR DEPOSITARY. THIS NOTE IS NOT EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITARY OR ITS NOMINEE EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND NO TRANSFER OF THIS NOTE (OTHER THAN A TRANSFER OF THIS NOTE AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY) MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

(c) Except as permitted by Section 2.06(g) hereof, any Note not registered under the Securities Act shall bear the following legend (the “*Private Placement Legend*”) on the face thereof:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION. THE HOLDER OF

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THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE “RESALE RESTRICTION TERMINATION DATE”) THAT IS [*IN THE CASE OF RULE 144A NOTES: ONE YEAR*] [*IN THE CASE OF REGULATION S NOTES: 40 DAYS*] AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), ONLY (A) TO THE ISSUER OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO A “NON-U.S. PERSON” AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF, AND IN COMPLIANCE WITH, REGULATION S UNDER THE SECURITIES ACT, OR (E) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE ISSUER’S AND THE TRUSTEE’S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSES (D) OR (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

THE HOLDER OF THIS SECURITY WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS SECURITY FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE.

The Trustee must refuse to register any transfer of a Note bearing the Private Placement Legend that would violate the restrictions described in such legend.

(d) Any temporary Note that is a Global Note issued pursuant to Regulation S shall bear a legend (the “*Regulation S Temporary Global Note Legend*”) in substantially the following form:

THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR DEFINITIVE NOTES, ARE AS SPECIFIED IN THE INDENTURE.

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THE HOLDER OF THIS NOTE BY ACCEPTANCE HEREOF ALSO AGREES, REPRESENTS AND WARRANTS THAT IF IT IS A PURCHASER IN A SALE THAT OCCURS OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S OF THE SECURITIES ACT, IT ACKNOWLEDGES THAT, UNTIL EXPIRATION OF THE “40-DAY DISTRIBUTION COMPLIANCE PERIOD” WITHIN THE MEANING OF RULE 903 OF REGULATION S, ANY OFFER OR SALE OF THIS NOTE SHALL NOT BE MADE BY IT TO A U.S. PERSON TO OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON WITHIN THE MEANING OF RULE 902(k) UNDER THE SECURITIES ACT

**SECTION 2.02. *Form of Execution and Authentication.***

An Officer shall sign the Notes for the Issuer by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time the Note is authenticated, the Note shall nevertheless be valid.

A Note shall not be valid until authenticated by the manual signature of the Trustee. The signature of the Trustee shall be conclusive evidence that the Note has been authenticated under this Indenture. All notes shall be dated the date of their authentication.

The Trustee shall authenticate (i) Initial Notes for original issue on the Issue Date in an aggregate principal amount of \$250.0 million and (ii) subject to compliance with Section 4.09 hereof, one or more series of Notes for original issue after the Issue Date (such Notes to be substantially in the form of Exhibit A) in an unlimited amount, in each case upon written order of the Issuer in the form of an Officers' Certificate, which Officers' Certificate shall, in the case of any issuance pursuant to clause (ii) above, certify that such issuance is in compliance with Section 4.09 hereof. In addition, each such Officers' Certificate shall specify the amount of Notes to be authenticated, the date on which the Notes are to be authenticated, whether the securities are to be Initial Notes or Notes issued under clause (ii) of the preceding sentence and the aggregate principal amount of Notes outstanding on the date of authentication, and shall further specify the amount of such Notes to be issued as Global Notes or Definitive Notes. Such Notes shall initially be in the form of one or more Global Notes, which (i) shall represent, and shall be denominated in an amount equal to the aggregate principal amount of, the Notes to be issued, (ii) shall be registered in the name of the Depositary or its nominee and (iii) shall be delivered by the Trustee to the Depositary or pursuant to the Depositary's instruction. All Notes issued under this Indenture shall vote and consent together on all matters as one class and no series of Notes will have the right to vote or consent as a separate class on any matter.

In authenticating Notes other than the Initial Notes, and accepting the additional responsibilities under this Indenture in relation to such Notes, the Trustee shall receive, and, subject to Section 7.01, shall be fully protected in relying upon:

(a) A copy of the resolution or resolutions of the Board of Directors in or pursuant to which the terms and form of the Notes were established, certified by the Secretary or an Assistant Secretary of the Issuer to have been duly adopted by the Board of Directors and to be in full force and effect as of the date of such certificate, and if the terms and form of such Notes are established



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by an Officers' Certificate pursuant to general authorization of the Board of Directors, such Officers' Certificate;

(b) an executed supplemental indenture, if any;

(c) an Officers' Certificate delivered in accordance with Section 11.04; and

(d) an Opinion of Counsel which shall state:

(1) that the form of such Notes has been established by a supplemental indenture or by or pursuant to a resolution of the Board of Directors in accordance with Sections 2.01 and 2.02 and in conformity with the provisions of this Indenture;

(2) that the terms of such Notes have been established in accordance with Section 2.01 and in conformity with the other provisions of this Indenture;

(3) that such Notes, when authenticated and delivered by the Trustee and issued by the Issuer in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Issuer, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles; and

(4) that all laws and requirements in respect of the execution and delivery by the Issuer of such Notes have been complied with.

The Trustee may appoint an authenticating agent acceptable to the Issuer to authenticate Notes. Unless limited by the terms of such appointment, an authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with the Issuer or any Affiliate of the Issuer.

#### SECTION 2.03. *Registrar and Paying Agent.*

The Issuer shall maintain (i) an office or agency where Notes may be presented for registration of transfer or for exchange (including any co-registrar, the "*Registrar*") and (ii) an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar shall keep a register of the Notes and of their transfer and exchange. The Issuer may appoint one or more co-registrars and one or more additional paying agents. The term "*Paying Agent*" includes any additional paying agent. The Issuer may change any Paying Agent, Registrar or co-registrar without prior notice to any Holder of a Note. The Issuer shall notify the Trustee in writing and the Trustee shall notify the Holders of the Notes of the name and address of any Agent not a party to this Indenture. The Issuer may act as Paying Agent, Registrar or co-registrar. The Issuer shall enter into an appropriate agency agreement with any Agent not a party to this Indenture, which shall incorporate the provisions of the TIA. The agreement shall implement the provisions hereof that relate to such Agent. The Issuer shall notify the Trustee in writing of the name and address of any such Agent. If the Issuer fails to maintain a Registrar or Paying Agent,

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or fails to give the foregoing notice, the Trustee shall act as such, and shall be entitled to appropriate compensation in accordance with Section 7.07 hereof.

The Issuer initially appoints the Trustee as Registrar, Paying Agent and agent for service of notices and demands in connection with the Notes.

**SECTION 2.04. *Paying Agent To Hold Money in Trust.***

The Issuer shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of the Holders of the Notes or the Trustee all money held by the Paying Agent for the payment of principal of, premium, if any, and interest on the Notes, and shall notify the Trustee in writing of any Default by the Issuer in making any such payment. While any such Default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuer at any time may require a Paying Agent to pay all money held by such Paying Agent to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Issuer) shall have no further liability for the money delivered to the Trustee. If the Issuer acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders of the Notes all money held by it as Paying Agent.

**SECTION 2.05. *Lists of Holders of the Notes.***

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Holders of the Notes and shall otherwise comply with TIA § 312(a). If the Trustee is not the Registrar, the Issuer shall furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Holders of the Notes, including the aggregate principal amount of the Notes held by each thereof, and the Issuer shall otherwise comply with TIA § 312(a).

**SECTION 2.06. *Transfer and Exchange.***

(a) *Transfer and Exchange of Global Notes.* A Global Note may not be transferred as a whole except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. Global Notes will be exchanged by the Issuer for Definitive Notes, subject to any applicable laws, if (i) the Issuer delivers to the Trustee notice from the Depositary that (A) the Depositary is unwilling or unable to continue to act as Depositary for the Global Notes or (B) the Depositary is no longer a clearing agency registered under the Exchange Act and, in either case, the Issuer fails to appoint a successor Depositary within 90 days after the date of such notice from the Depositary, (ii) the Issuer in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee or (iii) upon request of the Trustee or Holders of a majority of the aggregate principal amount of outstanding Notes if there shall have occurred and be continuing a Default or Event of Default with respect to the Notes; *provided* that in no event shall any temporary Note that is a Global Note issued pursuant to Regulation S be exchanged by the Company for Definitive Notes prior to

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(A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificate identified by the Issuer and its counsel to be required pursuant to Rule 903 or Rule 904 under the Securities Act. In any such case, the Issuer will notify the Trustee in writing that, upon surrender by the Participants and Indirect Participants of their interests in such Global Note, Certificated Notes will be issued to each Person that such Participants, Indirect Participants and DTC jointly identify as being the beneficial owner of the related Notes. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06. However, beneficial interests in a Global Note may be transferred and exchanged as provided in paragraph (b), (c) or (f) below.

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes.* The transfer and exchange of beneficial interests in the Global Notes shall be effected through the Depositary, in accordance with the provisions hereof and the Applicable Procedures. Beneficial interests in the Restricted Global Notes shall be subject to restrictions on transfer comparable to those set forth in this Indenture to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also shall require compliance with the applicable subparagraphs below.

(i) *Transfer of Beneficial Interests in the Same Global Note.* Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however*, that prior to the expiration of the Restricted Period, no transfer of beneficial interests in a Regulation S Global Note may be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser) unless permitted by applicable law and made in compliance with subparagraphs (ii) and (iii) below. Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this subparagraph (i) unless specifically stated above.

(ii) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to subparagraph (i) above, the transferor of such beneficial interest must deliver to the Registrar either (A) (1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase or, (B) (1) if Definitive Notes are at such time permitted to be issued pursuant to this Indenture, a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given by the Depositary to the Registrar containing information regarding the Person in

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whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to paragraph (h) below.

(iii) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of subparagraph (ii) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in a 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit C hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a beneficial interest in a Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit C hereto, including the certifications in item (2) thereof.

(iv) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note.* A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of subparagraph (ii) above, and the Registrar receives the following:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit D hereto, including the certifications in item (1)(a) thereof, or

(B) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the applicable certifications in item (4) thereof;

and, in each such case set forth in subparagraphs (A) and (B), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained in this Indenture and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (A) and (B) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt

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of an authentication order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (A) and (B) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer and Exchange of Beneficial Interests for Definitive Notes.*

(i) *Transfer and Exchange of Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes.* If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit D hereto, including the certifications in item (2) (a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (3)(a) thereof; or

(E) if such beneficial interest is being transferred to the Issuer or any of its Subsidiaries, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (3)(b) thereof;

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to paragraph (h) below, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Person designated in the certificate a Restricted Definitive Note in the appropriate principal amount. Any Restricted Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this paragraph (c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depository and the Participant or Indirect Participant. The Trustee shall deliver such Restricted Definitive Notes

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to the Persons in whose names such Notes are so registered. Any Restricted Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this subparagraph (i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(ii) *Transfer and Exchange of Beneficial Interests in Restricted Global Notes for Unrestricted Definitive Notes.* A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if the Registrar receives the following:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Definitive Note that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit D hereto, including the certifications in item (1)(b) thereof; or

(B) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a Definitive Note that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit C hereto, including the applicable certifications in item (4) thereof,

and, in each such case set forth in subparagraphs (A) and (B), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained in this Indenture and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (A) or (B) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt of an authentication order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (A) or (B) above.

(iii) *Transfer and Exchange of Beneficial Interests in Unrestricted Global Notes for Unrestricted Definitive Notes.* If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in subparagraph (b)(ii) above, the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to paragraph (h) below, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Person designated in the certificate a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this subparagraph (c)(iii) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions

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from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this subparagraph (c)(iii) shall not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests.*

(i) *Transfer and Exchange of Restricted Definitive Notes for Beneficial Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit D hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (1) thereof; or

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit C hereto, including the certifications in item (2) thereof,

the Trustee shall cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note, and in the case of clause (C) above, the Regulation S Global Note.

(ii) *Transfer and Exchange of Restricted Definitive Notes for Beneficial Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if the Registrar receives the following:

(A) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit D hereto, including the certifications in item (1)(c) thereof; or

(B) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the applicable certifications in item (4) thereof;

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and, in each such case set forth in subparagraphs (A) and (B), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained in this Indenture and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this subparagraph (d)(ii), the Trustee shall cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(iii) *Transfer and Exchange of Unrestricted Definitive Notes for Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Unrestricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

(iv) If any such exchange or transfer from an Unrestricted Definitive Note or a Restricted Definitive Note, as the case may be, to a beneficial interest is effected pursuant to subparagraphs (ii)(y), (ii)(z) or (iii) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt of an authentication order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Unrestricted Definitive Notes or Restricted Definitive Notes, as the case may be, so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this paragraph (e), the Registrar shall register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or its attorney, duly authorized in writing. In addition, the requesting Holder shall provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this paragraph (e).

(i) *Transfer of Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A under the Securities Act, then the transferor must deliver a certificate in the form of Exhibit C hereto, including the certifications in item (1) thereof;



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(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit C hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit C hereto, including, if the Registrar so requests, a certification or Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such transfer is in compliance with the Securities Act.

(ii) *Transfer and Exchange of Restricted Definitive Notes for Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if the Registrar receives the following:

(A) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit D hereto, including the certifications in item (1)(d) thereof; or

(B) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the applicable certifications in item (4) thereof;

and, in each such case set forth in subparagraph (A) and (B), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Issuer to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained in this Indenture and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iii) *Transfer of Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *[Intentionally Omitted]*.

(g) *Legends.* The following legends shall appear on the faces of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions hereof.

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(i) *Private Placement Legend.*

(A) Except as permitted by subparagraph (B) below, each Global Note (other than an Unrestricted Global Note) and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the Private Placement Legend.

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(iv), (c)(ii), (c)(iii), (d)(ii), (d)(iii), (e)(ii) or (e)(iii) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) shall not bear the Private Placement Legend.

(ii) *Global Note Legend.* Each Global Note shall bear the Global Note Legend.

(iii) *Regulation S Temporary Global Note Legend.* Each temporary Note that is a Global Note issued pursuant to Regulation S shall bear the Regulation S Temporary Global Note Legend.

(h) *Cancellation and/or Adjustment of Global Notes.* At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note shall be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note shall be reduced accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note shall be increased accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(i) *General Provisions Relating to Transfers and Exchanges.*

(i) To permit registrations of transfers and exchanges, the Issuer shall execute and the Trustee shall authenticate Global Notes and Definitive Notes upon the Issuer's order or at the Registrar's request.

(ii) No service charge shall be made to a holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.02, 2.10, 3.06, 3.08 and 9.05 hereof).

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(iii) The Registrar shall not be required to register the transfer of or exchange any Note selected for redemption in whole or in part, except for the unredeemed portion of any Note being redeemed in part.

(iv) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes shall be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits hereof, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(v) The Issuer shall not be required (A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business on a Business Day 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection or (B) to register the transfer of or to exchange any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(vi) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Issuer may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Issuer shall be affected by notice to the contrary.

(vii) The Trustee shall authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(viii) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

#### SECTION 2.07. *Replacement Notes.*

If any mutilated Note is surrendered to the Trustee, or the Issuer and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Note, the Issuer shall issue and the Trustee, upon the written order of the Issuer signed by two Officers of the Issuer, shall authenticate a replacement Note if the Trustee's requirements for replacements of Notes are met. If required by the Trustee or the Issuer, the Holder must supply an indemnity bond sufficient in the judgment of the Trustee and the Issuer to protect the Issuer, the Trustee, any Agent or any authenticating agent from any loss which any of them may suffer if a Note is replaced. The Issuer and the Trustee may charge for their expenses in replacing a Note.

Every replacement Note is a joint and several obligation of the Issuer.

#### SECTION 2.08. *Outstanding Notes.*

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation and those described in this Section 2.08 as not outstanding.

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If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it shall cease to be outstanding and interest on it shall cease to accrue.

Subject to Section 2.09 hereof, a Note does not cease to be outstanding because the Issuer, a Subsidiary of the Issuer or an Affiliate of the Issuer holds the Note.

**SECTION 2.09. *Treasury Notes.***

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Issuer, any Subsidiary of the Issuer or any Affiliate of the Issuer shall be considered as though not outstanding, except that for purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes which a Responsible Officer knows to be so owned shall be so considered. Notwithstanding the foregoing, Notes that are to be acquired by the Issuer, any Subsidiary of the Issuer or an Affiliate of the Issuer pursuant to an exchange offer, tender offer or other agreement shall not be deemed to be owned by the Issuer, a Subsidiary of the Issuer or an Affiliate of the Issuer until legal title to such Notes passes to the Issuer, such Subsidiary or such Affiliate, as the case may be.

**SECTION 2.10. *Temporary Notes.***

Until Definitive Notes are ready for delivery, the Issuer may prepare and the Trustee shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of definitive Notes but may have variations that the Issuer and the Trustee consider appropriate for temporary Notes. Without unreasonable delay, the Issuer shall prepare and the Trustee, upon receipt of the written order of the Issuer signed by two Officers of the Issuer, shall authenticate definitive Notes in exchange for temporary Notes. Until such exchange, temporary Notes shall be entitled to the same rights, benefits and privileges as Definitive Notes.

**SECTION 2.11. *Cancellation.***

The Issuer at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee shall cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and shall dispose of all canceled Notes in its customary manner (subject to the record retention requirements of the Exchange Act), unless the Issuer directs canceled Notes to be returned to it. The Issuer may not issue new Notes to replace Notes that it has redeemed or paid or that have been delivered to the Trustee for cancellation. All canceled Notes held by the Trustee shall be disposed of and certification of their disposal delivered to the Issuer upon its request therefor, unless by a written order, signed by two Officers of the Issuer, the Issuer shall direct that canceled Notes be returned to it.

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**SECTION 2.12. *Defaulted Interest.***

If the Issuer defaults in a payment of interest on the Notes, it shall pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders of the Notes on a subsequent special record date, which date shall be at the earliest practicable date but in all events at least five Business Days prior to the payment date, in each case at the rate provided in the Notes. The Issuer shall, with the consent of the Trustee, fix or cause to be fixed each such special record date and payment date. At least 15 days before the special record date, the Issuer (or the Trustee, in the name of and at the expense of the Issuer) shall mail to Holders of the Notes a notice that states the special record date, the related payment date and the amount of such interest to be paid.

**SECTION 2.13. *Record Date.***

The record date for purposes of determining the identity of Holders of the Notes entitled to vote or consent to any action by vote or consent authorized or permitted under this Indenture shall be determined as provided for in TIA § 316(c).

**SECTION 2.14. *CUSIP Number.***

The Issuer in issuing the Notes may use a "CUSIP" number and, if it does so, the Trustee shall use the CUSIP number in notices of redemption or exchange as a convenience to Holders; *provided* that any such notice may state that no representation is made as to the correctness or accuracy of the CUSIP number printed in the notice or on the Notes and that reliance may be placed only on the other identification numbers printed on the Notes and any such redemption shall not be affected by any defect in or omission of such numbers. The Issuer shall promptly notify the Trustee in writing of any change in the CUSIP number.

ARTICLE 3

REDEMPTION

**SECTION 3.01. *Notices to Trustee.***

If the Issuer elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it shall furnish to the Trustee, at least 30 days (unless a shorter period is acceptable to the Trustee) but not more than 60 days before a redemption date, an Officers' Certificate of the Issuer setting forth (i) the redemption date, (ii) the principal amount of Notes to be redeemed and (iii) the redemption price. If the Issuer is required to make the redemption pursuant to Section 3.08 hereof, it shall furnish the Trustee, at least five but not more than ten Business Days before the applicable purchase date, an Officers' Certificate of the Issuer setting forth (i) the purchase date, (ii) the principal amount of Notes offered to be purchased and (iii) the purchase price.

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**SECTION 3.02. *Selection of Notes To Be Redeemed.***

(a) If less than all of the Notes are to be redeemed at any time in accordance with Section 3.07 hereof, the selection of Notes for redemption shall be made by the Trustee in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are listed, or if the Notes are not so listed on a *pro rata* basis, or, in the case of a redemption other than as provided in Section 3.07(b) hereof, by lot or in accordance with the Trustee's customary practices, subject to the applicable rules of the Depository; *provided* that no Notes with a principal amount of \$2,000 or less shall be redeemed in part. In the event of partial redemption by lot, the particular Notes to be redeemed shall be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption date by the Trustee from the outstanding Notes not previously called for redemption.

(b) The Trustee shall promptly notify the Issuer in writing of the Notes selected for redemption and, in the case of any Note selected for partial redemption, the principal amount thereof to be redeemed. Notes and portions of them selected shall be in amounts of \$2,000 or whole multiples of \$1,000; except that if all of the Notes of a Holder are to be redeemed, the entire outstanding amount of Notes held by such Holder, even if not a multiple of \$1,000, shall be redeemed. Except as provided in the preceding sentence, provisions hereof that apply to Notes called for redemption also apply to portions of Notes called for redemption.

**SECTION 3.03. *Notice of Redemption.***

Subject to the provisions of Section 3.08 hereof, at least 30 days but not more than 60 days before a redemption date, the Issuer shall mail or cause to be mailed, by first class mail, a notice of redemption to each Holder (with a copy to the Trustee) whose Notes are to be redeemed to such Holder's registered address.

The notice shall identify the Notes to be redeemed and shall state

(i) the redemption date;

(ii) the redemption price;

(iii) if any Note is being redeemed in part only, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion shall be issued in the name of the Holder thereof upon cancellation of the original Note;

(iv) the name and address of the Paying Agent;

(v) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(vi) that, unless the Issuer defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

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(vii) the paragraph of the Notes and/or section hereof pursuant to which the Notes called for redemption are being redeemed; and

(viii) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Issuer's written request, the Trustee shall give the notice of redemption in the Issuer's name and at the Issuer's expense; *provided* that the Issuer shall have delivered to the Trustee, at least 10 days (unless a shorter period is acceptable to the Trustee) prior to the date the Company wishes to have the notice given, an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

**SECTION 3.04. *Effect of Notice of Redemption.***

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become due and payable on the redemption date at the redemption price.

**SECTION 3.05. *Deposit of Redemption Price.***

On or prior to any redemption date, the Issuer shall deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption price of and accrued interest on all Notes to be redeemed on that date. The Trustee or the Paying Agent shall promptly return to the Issuer any money deposited with the Trustee or the Paying Agent by the Issuer in excess of the amounts necessary to pay the redemption price of, and accrued interest on, all Notes to be redeemed.

On and after the redemption date, if the Issuer does not default in the payment of the redemption price, interest shall cease to accrue on the Notes or the portions of Notes called for redemption. If a Note is redeemed on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption shall not be so paid upon surrender for redemption because of the failure of the Issuer to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes.

**SECTION 3.06. *Notes Redeemed in Part.***

Upon surrender and cancellation of a Note that is redeemed in part, the Issuer shall issue and the Trustee shall authenticate for the Holder of the Notes at the expense of the Issuer a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

**SECTION 3.07. *Optional Redemption.***

(a) Except as provided in paragraphs (b) and (c) below, the Notes will not be redeemable at the Issuer's option prior to May 15, 2014. Thereafter, the Notes will be subject to redemption at the option of the Issuer, in whole or in part, upon not less than 30 days' or more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth

below, together with accrued and unpaid interest thereon to the applicable redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), if redeemed during the 12-month period beginning on May 15 of the years indicated below:

<u>Year</u>	<u>Percentage</u>
2014	104.063%
2015	102.031%
2016 and thereafter	100.000%

(b) Notwithstanding the foregoing, at any time and from time to time prior to May 15, 2013, the Issuer may redeem up to 35% of the aggregate principal amount of the Notes outstanding at a redemption price equal to 108.125% of the principal amount thereof on the repurchase date, together with accrued and unpaid interest to such redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), with the net cash proceeds of one or more public or private sales of Qualified Capital Stock, other than proceeds from a sale to the Issuer or any of its Subsidiaries or any employee benefit plan in which the Issuer or any of its Subsidiaries participates; *provided* that (i) at least 65% in aggregate principal amount of the Notes originally issued remains outstanding immediately after the occurrence of such redemption and (ii) such redemption occurs no later than the 120th day following such sale of Qualified Capital Stock.

(c) In addition, at any time and from time to time prior to May 15, 2014, the Issuer may redeem all or any portion of the Notes outstanding at a redemption price equal to (i) 100% of the aggregate principal amount of the Notes to be redeemed, together with accrued and unpaid interest to such redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), plus (ii) the Make Whole Amount.

#### SECTION 3.08. *Excess Proceeds Offer.*

(a) When the cumulative amount of Excess Proceeds that have not been applied in accordance with Section 4.10 exceeds \$25.0 million, the Issuer shall make an offer to all Holders of the Notes (an “*Excess Proceeds Offer*”) to purchase the maximum principal amount of Notes that may be purchased out of such Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof, together with accrued and unpaid interest to the date fixed for the closing of such offer in accordance with the procedures set forth herein. To the extent the Issuer or a Restricted Subsidiary is required under the terms of Indebtedness of the Issuer or such Restricted Subsidiary (other than Subordinated Indebtedness), the Issuer shall make a *pro rata* offer to the holders of all such Indebtedness (including the Notes) with such proceeds. If the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by holders thereof exceeds the amount of such Excess Proceeds, the Trustee shall select the Notes and other *pari passu* Indebtedness to be purchased on a *pro rata* basis. To the extent that the principal amount of Notes tendered pursuant to an Excess Proceeds Offer is less than the amount of such Excess Proceeds and other *pari passu* Indebtedness, the Issuer may use any remaining Excess Proceeds for general corporate purposes in compliance with the provisions of this Indenture.



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Upon completion of an Excess Proceeds Offer, the amount of Excess Proceeds shall be reset at zero.

(b) The Excess Proceeds Offer shall remain open for a period of 20 Business Days following its commencement and no longer, except to the extent that a longer period is required by applicable law (the “*Offer Period*”). No later than five Business Days after the termination of the Offer Period (the “*Purchase Date*”), the Issuer shall purchase the maximum principal amount of Notes and *pari passu* Indebtedness that may be purchased with such Excess Proceeds (which maximum principal amount of Notes and *pari passu* Indebtedness shall be the “*Offer Amount*”) or, if less than the Offer Amount has been tendered, all Notes tendered in response to the Excess Proceeds Offer.

(c) The Issuer shall comply with the requirements of Rule 14e 1 under the Exchange Act (or any successor rules) and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes pursuant to an Excess Proceeds Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 3.08, the Issuer’s compliance with such laws and regulations shall not in and of itself be deemed to have caused a breach of their obligations under this Section 3.08.

(d) If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest shall be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest shall be payable to Holders who tender Notes pursuant to the Excess Proceeds Offer.

(e) Upon the commencement of any Excess Proceeds Offer, the Issuer shall send, by first class mail, a notice to each of the Holders of the Notes, with a copy to the Trustee. The notice shall contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Excess Proceeds Offer. The notice, which shall govern the terms of the Excess Proceeds Offer, shall state:

- (i) that the Excess Proceeds Offer is being made pursuant to this Section 3.08 and the length of time the Excess Proceeds Offer shall remain open;
- (ii) the Offer Amount, the purchase price and the Purchase Date;
- (iii) that any Note not tendered or accepted for payment shall continue to accrue interest;
- (iv) that, unless the Issuer defaults in making such payment, any Note accepted for payment pursuant to the Excess Proceeds Offer shall cease to accrue interest after the Purchase Date;
- (v) that Holders electing to have a Note purchased pursuant to any Excess Proceeds Offer shall be required to surrender the Note, with the form entitled “Option of Holder to Elect Purchase” on the reverse of the Note completed, to the Issuer, a Depositary, if appointed by the Issuer, or a Paying Agent at the address specified in the notice at least three Business Days before the Purchase Date;

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(vi) that Holders shall be entitled to withdraw their election if the Issuer, Depositary or Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is unconditionally withdrawing his election to have the Note purchased;

(vii) that, if the aggregate principal amount of Notes surrendered by Holders and other *pari passu* Indebtedness tendered by the holders thereof exceeds the Offer Amount, the Issuer shall select the Notes and other *pari passu* Indebtedness to be purchased on a *pro rata* basis (with such adjustments as may be deemed appropriate by the Issuer so that only Notes in denominations of \$2,000, or integral multiples of \$1,000 in excess thereof, shall be purchased); and

(viii) that Holders whose Notes were purchased only in part shall be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered.

(f) On or before the Purchase Date, the Issuer shall, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Excess Proceeds Offer, or if less than the Offer Amount has been tendered, all Notes or portion thereof tendered, and deliver to the Trustee an Officers' Certificate stating that such Notes or portions thereof were accepted for payment by the Issuer in accordance with the terms of this Section 3.08. The Issuer, Depositary or Paying Agent, as the case may be, shall promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Note tendered by such Holder and accepted by the Issuer for purchase, and the Issuer shall promptly issue a new Note, and the Trustee shall authenticate and mail or deliver such new Note, to such Holder equal in principal amount to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Issuer to the Holder thereof. The Issuer shall publicly announce the results of the Excess Proceeds Offer on the Purchase Date.

(g) Other than as specifically provided in this Section 3.08, any purchase pursuant to this Section 3.08 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

#### ARTICLE 4

#### COVENANTS

##### SECTION 4.01. *Payment of Notes.*

(a) The Issuer shall pay or cause to be paid the principal of, premium, if any, and interest on the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest shall be considered paid on the date due if the Paying Agent, if other than the Issuer, holds as of 1:00 p.m. Eastern Time on the due date money deposited by or on behalf of the Issuer in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due. If a payment date is a Legal Holiday at a place of payment,

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payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue for the intervening period.

(b) The Issuer shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to the then applicable interest rate on the Notes to the extent lawful; the Issuer shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace period) at the same rate to the extent lawful.

**SECTION 4.02. *Maintenance of Office or Agency.***

(a) The Issuer shall maintain an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where notices and demands to or upon the Issuer in respect of the Notes and this Indenture may be served. The Issuer shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

(b) The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission shall in any manner relieve the Issuer of its obligation to maintain an office or agency for such purposes. The Issuer shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

(c) The Issuer hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Issuer in accordance with Section 2.03 hereof.

**SECTION 4.03. *Reports.***

(a) Whether or not required by the rules and regulations of the Commission, so long as any Notes are outstanding, the Issuer shall furnish to the Holders of Notes all quarterly and annual financial information, and on dates, that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Issuer was required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report thereon by the independent registered public accounting firm of the Issuer; *provided, however*, that, to the extent such reports are filed with the Commission and publicly available, no additional copies need be provided to Holders of the Notes.

(b) The Issuer will file the information described in Section 4.03(a) with the Commission to the extent that the Commission is accepting such filings. In addition, for so long as any Notes remain outstanding during any period when the Issuer is not subject to Section 13 or 15(d) of the Exchange Act, the Issuer will furnish to the Holders of the Notes and to prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

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(c) In addition, following the first full fiscal quarter after the date hereof, so long as any Notes are outstanding the Issuer will use commercially reasonable efforts to (A) within 15 Business Days after furnishing the reports required by Section 4.03(a), hold a conference call to discuss such reports, and (B) issue a press release prior to the date of such conference call, announcing the time and date and either including information necessary to access the call or directing noteholders, prospective investors, Broker-Dealers and securities analysts to contact the appropriate person at the Issuer to obtain such information; *provided* that the Issuer may satisfy the requirements of this paragraph by issuing its regular quarterly earnings releases and conducting its regular investor conference calls.

(d) The Issuer shall provide the Trustee with a sufficient number of copies of all reports and other documents and information that the Trustee may be required to deliver to the Holders of the Notes under this Section 4.03. Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

#### SECTION 4.04. *Compliance Certificate.*

The Issuer shall deliver to the Trustee, within 120 days after the end of each fiscal year, an Officers' Certificate of the Issuer stating that a review of the activities of the Issuer and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Issuer and Guarantors have kept, observed, performed and fulfilled their obligations under this Indenture and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge each such entity has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions hereof, including, without limitation, a default in the performance or breach of Section 4.07, Section 4.09, Section 4.10 or Section 4.15 hereof (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action each is taking or proposes to take with respect thereto).

#### SECTION 4.05. *Taxes.*

The Issuer shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except as contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

#### SECTION 4.06. *Stay, Extension and Usury Laws.*

The Issuer covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance hereof; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it

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shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

**SECTION 4.07. *Limitation on Restricted Payments.***

(a) Neither the Issuer nor any of its Restricted Subsidiaries may, directly or indirectly:

(i) pay any dividend or make any distribution on account of any Equity Interests of the Issuer other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Issuer;

(ii) purchase, redeem or otherwise acquire or retire for value any of the Issuer's Equity Interests or any Subordinated Indebtedness, other than (i) Subordinated Indebtedness within one year of the stated maturity date thereof and (ii) any such Equity Interests or Subordinated Indebtedness owned by the Issuer or by any Restricted Subsidiary;

(iii) pay any dividend or make any distribution on account of any Equity Interests of any Restricted Subsidiary, other than:

(A) to the Issuer or any Restricted Subsidiary; or

(B) to all holders of any class or series of Equity Interests of such Restricted Subsidiary on a *pro rata* basis; or

(iv) make any Restricted Investment

(all such prohibited payments and other actions set forth in clauses (i) through (iv) being collectively referred to as "*Restricted Payments*"), unless, at the time of such Restricted Payment:

(1) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(2) after giving effect to the incurrence of any Indebtedness the net proceeds of which are used to finance such Restricted Payment, the Issuer is able to incur at least \$1.00 of additional Indebtedness in compliance with Section 4.09(a); and

(3) such Restricted Payment, together with the aggregate of all other Restricted Payments made after the Issue Date, is less than the sum of:

(A) 50% of the Consolidated Net Income of the Issuer for the period (taken as one accounting period) from the beginning of the quarter commencing after the Issue Date to the end of the Issuer's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income shall be a deficit, minus 100% of such aggregate deficit); *plus*

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(B) an amount equal to the sum of (x) 100% of the aggregate net cash proceeds and the Fair Market Value of any property or assets received by the Issuer from the issue or sale of Equity Interests (other than Disqualified Stock) of the Issuer (other than Equity Interests sold to any of the Issuer's Subsidiaries), following the Issue Date and (y) the aggregate amount by which Indebtedness (other than any Indebtedness owed to the Issuer or a Subsidiary) incurred by the Issuer or any Restricted Subsidiary subsequent to the Issue Date is reduced on the Issuer's balance sheet upon the conversion or exchange into Qualified Capital Stock (less the amount of any cash, or the Fair Market Value of assets, distributed by the Issuer or any Restricted Subsidiary upon such conversion or exchange); *plus*

(C) if any Unrestricted Subsidiary is designated by the Issuer as a Restricted Subsidiary, an amount equal to the Fair Market Value of the net Investment by the Issuer or a Restricted Subsidiary in such Subsidiary at the time of such designation; *provided, however,* that the foregoing amount shall not exceed the amount of Restricted Investments made by the Issuer or any Restricted Subsidiary in any such Unrestricted Subsidiary following the Issue Date which reduced the amount available for Restricted Payments pursuant to this clause (3) less amounts received by the Issuer or any Restricted Subsidiary from such Unrestricted Subsidiary that increased the amount available for Restricted Payments pursuant to clause (D) below; *plus*

(D) 100% of any cash dividends and other cash distributions and the Fair Market Value of property or assets other than cash received by the Issuer and the Issuer's Restricted Subsidiaries from an Unrestricted Subsidiary since the Issue Date to the extent not included in Consolidated Cash Flow and 100% of the net proceeds received by the Issuer or any of its Restricted Subsidiaries from the sale of any Unrestricted Subsidiary; *provided, however,* that the foregoing amount shall not exceed the amount of Restricted Investments made by the Issuer or any Restricted Subsidiary in any such Unrestricted Subsidiary following the Issue Date which reduced the amount available for Restricted Payments pursuant to this clause (3); *plus*

(E) to the extent not included in clauses (A) through (D) above, an amount equal to the net reduction in Restricted Investments of the Issuer and its Restricted Subsidiaries following the Issue Date resulting from payments in cash of interest on Indebtedness, dividends or repayment of loans or advances, or other transfers of property, in each case, to the Issuer or to a Restricted Subsidiary or from the net cash proceeds from the sale, conveyance, liquidation or other disposition of any such Restricted Investment; *plus*

(F) \$100.0 million.

(b) The foregoing provisions will not prohibit the following (*provided* that with respect to clauses (9) and (10) below, no Default or Event of Default shall have occurred and be continuing):

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(1) the payment of any dividend or distribution within 60 days after the date of declaration thereof, if at the date of declaration such payment would have complied with the provisions hereof;

(2) the redemption, repurchase, retirement or other acquisition of (x) any Equity Interests of the Issuer in exchange for, or out of the net proceeds of the issue or sale within 60 days of, Equity Interests (other than Disqualified Stock) of the Issuer (other than Equity Interests (other than Disqualified Stock) issued or sold to any Subsidiary) or (y) Subordinated Indebtedness of the Issuer or any Restricted Subsidiary (a) in exchange for, or out of the proceeds of the issuance and sale within 60 days of, Qualified Capital Stock, (b) in exchange for, or out of the proceeds of the incurrence within 60 days of, Refinancing Indebtedness permitted to be incurred under clause (10) of Section 4.09(b) or other Indebtedness permitted to be incurred under Section 4.09 or (c) with the Net Proceeds from an Asset Sale or upon a Change of Control, in each case, to the extent required by the agreement governing such Subordinated Indebtedness but only if the Issuer shall have previously applied such Net Proceeds to make an Excess Proceeds Offer or made a Change of Control Offer, as the case may be, in accordance with Sections 3.08 and 4.15 and purchased all Notes validly tendered pursuant to the relevant offer prior to redeeming or repurchasing such Subordinated Indebtedness;

(3) the declaration and payment of dividends to holders of any class or series of Disqualified Stock of the Issuer or any of its Restricted Subsidiaries or shares of Preferred Equity Interests of any Restricted Subsidiary issued in accordance with Section 4.09;

(4) repurchases of Equity Interests deemed to occur upon exercise of stock options or warrants or upon the vesting of restricted stock units if such Equity Interests represent the exercise price of such options or warrants or represent withholding taxes due upon such exercise or vesting;

(5) Restricted Payments from the net proceeds of the Notes and the initial borrowings under the Credit Agreement as described in the Offering Memorandum;

(6) the repurchase, retirement or other acquisition for value of Equity Interests of the Issuer or any Restricted Subsidiary of the Issuer held by any future, present or former employee, director or consultant of the Issuer or of any Subsidiary of the Issuer (or any such Person's estate or heirs) pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or other agreement or arrangement; *provided* that the aggregate amounts paid under this clause (6) do not exceed \$10.0 million in any calendar year;

(7) payments or distributions by the Issuer or any of its Restricted Subsidiaries to dissenting stockholders pursuant to applicable law in connection

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with any merger or acquisition consummated on or after the Issue Date and not prohibited by this Indenture;

(8) purchases, redemptions or acquisitions of fractional shares of Equity Interests arising out of stock dividends, splits or combinations or business combinations;

(9) the declaration and payment of dividends or distributions to holders of any class or series of Designated Preferred Stock (other than Disqualified Stock) issued after the Issue Date; *provided, however*, that (a) the Consolidated Fixed Charge Coverage Ratio for the Issuer's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such Designated Preferred Stock is issued, after giving effect to such issuance (and the payment of dividends or distributions) on a *pro forma* basis, would have been at least 2.00 to 1.00 and (b) the aggregate amount of dividends declared and paid pursuant to this clause (9) does not exceed the net cash proceeds actually received by the Issuer from any such sale of Designated Preferred Stock (other than Disqualified Stock) issued after the Issue Date; and

(10) other Restricted Payments in an amount not to exceed \$150.0 million.

(c) Restricted Payments made pursuant to Section 4.07(a) and clause (1) of Section 4.07(b) and, to the extent made with the proceeds of the issuance of Qualified Capital Stock, Investments made pursuant to clause (j) of the definition of "Permitted Investments", shall be included as Restricted Payments in any computation made pursuant to clause (3) of the second paragraph of Section 4.07(a). Restricted Payments made pursuant to clauses (2) through (10) of Section 4.07(b) shall not be included as Restricted Payments in any computation made pursuant to clause (3) of Section 4.07(a).

If the Issuer or any Restricted Subsidiary makes a Restricted Investment and the Person in which such Investment was made subsequently becomes a Restricted Subsidiary, to the extent such Investment resulted in a reduction in the amounts calculated under clause (3) of Section 4.07(a) or under any other provision of this Section 4.07, (which was not subsequently reversed), then such amount shall be increased by the amount of such reduction.

**SECTION 4.08. *Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.***

The Issuer shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(a) pay dividends or make any other distribution to the Issuer or any of the Restricted Subsidiaries on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Issuer or any of its Subsidiaries;



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- (b) make loans or advances to the Issuer or any of its Subsidiaries; or
  - (c) transfer any of the Issuer's properties or assets to the Issuer or any of its Subsidiaries,

except for such encumbrances or restrictions existing under or by reason of:

- (i) Existing Indebtedness and existing agreements as in effect on the Issue Date;
- (ii) applicable law or regulation;
- (iii) any instrument governing Acquired Debt and any other agreement or instrument of an acquired Person or any of its Subsidiaries as in effect at the time of acquisition (except to the extent such Indebtedness or other agreement or instrument was incurred in connection with, or in contemplation of, such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired or any of its Subsidiaries;
- (iv) by reason of customary nonassignment provisions in leases entered into in the ordinary course of business;
- (v) Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Refinancing Indebtedness are no more restrictive than those contained in the agreements governing the Indebtedness being refinanced;
- (vi) this Indenture and the Notes or the Issuer's other Indebtedness ranking *pari passu* with the Notes; *provided* that except as set forth in clause (vii) below such restrictions are no more restrictive taken as a whole than those imposed by this Indenture and the Notes;
- (vii) any Credit Facility; *provided* that the restrictions therein (i) are not materially more restrictive than the agreements governing such Indebtedness as in effect on Issue Date or (ii) will not affect the Issuer's ability to make principal or interest payments on the Notes (as determined by the Issuer in good faith);
- (viii) customary non-assignment provisions in contracts, leases, sub-leases and licenses entered into in the ordinary course of business;
- (ix) any agreement for the sale or other disposition of a Restricted Subsidiary or any of its assets in compliance with the terms of this Indenture that restricts distributions by that Restricted Subsidiary pending such sale or other disposition;
- (x) provisions limiting the disposition or distribution of assets or property (including cash) in joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment), and customary provisions in joint venture

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agreements and other similar agreements applicable to the Equity Interests or Indebtedness of such joint venture, which limitation is applicable only to the assets that are the subject of such agreements;

(xi) Permitted Liens;

(xii) any agreement for the sale of any Subsidiary or its assets that restricts distributions by that Subsidiary (or sale of such Subsidiary's Equity Interests) pending its sale; *provided* that during the entire period in which such encumbrance or restriction is effective, such sale (together with any other sales pending) would be permitted under the terms of this Indenture;

(xiii) secured Indebtedness otherwise permitted to be incurred by this Indenture that limits the right of the debtor to dispose of the assets securing such Indebtedness;

(xiv) Purchase Money Indebtedness that imposes restrictions of the type described in clause (c) above on the property so acquired;

(xv) any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (i) through (xiv) above; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are, in the Issuer's good faith judgment, not materially more restrictive as a whole with respect to such encumbrances and restrictions than those prior to such amendment, modification, restatement, renewal, increase, supplement, refunding, replacement or refinancing;

(xvi) Indebtedness or other agreements, including, without limitation, agreements described in clause (x) of this paragraph, of any non-Guarantor Subsidiary which imposes restrictions solely on such non-Guarantor Subsidiary and its Subsidiaries; or

(xvii) any restriction on cash or other deposits or net worth imposed by customers, licensors or lessors or required by insurance, surety or bonding companies, in each case under contracts entered into in the ordinary course of business.

#### SECTION 4.09. *Limitation on Incurrence of Indebtedness.*

(a) The Issuer shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to (collectively, "*incur*") any Indebtedness (including Acquired Debt) or permit any of its Restricted Subsidiaries to issue any Preferred Equity Interests; *provided, however*, that, notwithstanding the foregoing, the Issuer and any Restricted Subsidiary may incur Indebtedness (including Acquired Debt) and any Guarantor may issue Preferred Equity Interests, if, after giving effect to the incurrence of such Indebtedness or the issuance of such Preferred Equity Interests and the application of the net proceeds thereof on a pro forma basis, the Issuer's Consolidated Fixed Charge Coverage Ratio would have been at least 2.0 to 1.0, *provided* that Restricted Subsidiaries of the Issuer that are not Guarantors may not incur Indebtedness or issue any Preferred Equity Interests pursuant to this paragraph if, after giving *pro forma* effect to such

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incurrence or issuance (including a *pro forma* application of the net proceeds therefrom), more than an aggregate of \$50.0 million of Indebtedness or Preferred Equity Interests of Restricted Subsidiaries of the Issuer that are not Guarantors would be outstanding pursuant to this Section 4.09(a).

(b) The foregoing limitation will not apply to any of the following incurrences of Indebtedness:

(1) Indebtedness represented by the Notes and the Guarantees in an aggregate principal amount not to exceed \$250.0 million;

(2) Indebtedness of the Issuer or any Restricted Subsidiary under any Credit Facility in an aggregate principal amount at any time outstanding not to exceed the excess of (x) \$1,400.0 million over (y) the aggregate principal amount of Indebtedness under the Credit Facilities permanently repaid pursuant to clause (1) of the second paragraph of Section 4.10;

(3) (x) Indebtedness among the Issuer and the Restricted Subsidiaries; *provided* that any such Indebtedness owed by the Issuer or a Guarantor to any Restricted Subsidiary that is not a Guarantor shall be subordinated to the prior payment in full when due of the Notes or the Guarantees, as applicable, and (y) Preferred Equity Interests of a Restricted Subsidiary held by the Issuer or a Restricted Subsidiary; *provided* that if such Preferred Equity Interests are issued by a Guarantor, such Preferred Equity Interests are held by the Issuer or a Guarantor;

(4) Acquired Debt of a Person incurred prior to the date upon which such Person was acquired by the Issuer or any Restricted Subsidiary (and not created in contemplation of such acquisition); *provided* that (x) the aggregate principal amount of Acquired Debt pursuant to this clause (4)(x) (when aggregated with the amount of Refinancing Indebtedness outstanding under clause (10) below in respect of Indebtedness incurred pursuant to this clause (4)(x)) shall not exceed \$100.0 million outstanding at any time or (y) after giving effect to the incurrence of such Acquired Debt on a pro forma basis, the Issuer's Consolidated Fixed Charge Coverage Ratio would have been at least 2.0 to 1.0;

(5) Existing Indebtedness;

(6) Indebtedness consisting of Purchase Money Indebtedness in an aggregate amount (when aggregated with the amount of Refinancing Indebtedness outstanding under clause (10) below in respect of Indebtedness incurred pursuant to this clause (6)) not to exceed \$100.0 million outstanding at any time;

(7) Hedging Obligations of the Issuer or any of the Restricted Subsidiaries covering Indebtedness of the Issuer or such Restricted Subsidiary; *provided, however*, that such Hedging Obligations are entered into for purposes of managing interest rate exposure of the Issuer and the Restricted Subsidiaries and not for speculative purposes;

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(8) Foreign Currency Obligations of the Issuer or any of the Restricted Subsidiaries entered into to manage exposure of the Issuer and the Restricted Subsidiaries to fluctuations in currency values and not for speculative purposes;

(9) the incurrence by the Issuer or any of its Restricted Subsidiaries of Indebtedness in respect of letters of credit, bank guarantees, workers' compensation claims, self-insurance obligations, bankers' acceptances, guarantees, performance, surety, statutory, appeal, completion, export or import, indemnities, customs, revenue bonds or similar instruments in the ordinary course of business, including guarantees or obligations with respect thereto (in each case other than for an obligation for money borrowed);

(10) the incurrence by the Issuer or any Restricted Subsidiary of Indebtedness issued in exchange for, or the proceeds of which are used to extend, refinance, renew, replace, substitute or refund in whole or in part, Indebtedness referred to in paragraph (a) of this Section 4.09 or in clause (1), (4), (5) or (6) or this clause (10) of this Section 4.09(b) ("*Refinancing Indebtedness*"); *provided, however, that:*

(A) the principal amount of such Refinancing Indebtedness shall not exceed the principal amount and accrued interest of the Indebtedness so exchanged, extended, refinanced, renewed, replaced, substituted or refunded and any premiums payable and reasonable fees, expenses, commissions and costs in connection therewith;

(B) the Refinancing Indebtedness shall have a final maturity equal to or later than, and a Weighted Average Life to Maturity equal to or greater than, the earlier of (i) 91 days after the final maturity date of the Notes and (ii) the final maturity and Weighted Average Life to Maturity, respectively, of the Indebtedness being exchanged, extended, refinanced, renewed, replaced, substituted or refunded;

(C) the Refinancing Indebtedness shall be subordinated in right of payment to the Notes and the Guarantees, if at all, on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness being exchanged, extended, refinanced, renewed, replaced, substituted or refunded; and

(D) if the Indebtedness to be exchanged refinanced, renewed, replaced, substituted or refunded was the obligation of the Issuer or Guarantor, such Indebtedness shall not be incurred by any of the Restricted Subsidiaries other than a Guarantor or any Restricted Subsidiary that was an obligor under the Indebtedness so refinanced;

(11) additional Indebtedness of the Issuer and any of its Restricted Subsidiaries in an aggregate principal amount not to exceed \$100.0 million at any one time outstanding (which may, but need not, be incurred under the Credit Facilities);

(12) the guarantee by the Issuer or any Guarantor of Indebtedness of the Issuer or a Restricted Subsidiary that was permitted to be incurred by another provision of this

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Section 4.09 and the guarantee by any Restricted Subsidiary that is not a Guarantor of any Indebtedness of any Restricted Subsidiary that is not a Guarantor;

(13) the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, and the payment of dividends on Disqualified Capital Stock in the form of additional shares of the same class of Disqualified Capital Stock;

(14) the incurrence by the Issuer or its Subsidiaries of guarantees in respect of obligations of joint ventures; *provided* that the aggregate principal amount of Indebtedness incurred pursuant to this clause (14) shall not exceed \$100.0 million outstanding at any time;

(15) Indebtedness of Foreign Subsidiaries in an aggregate principal amount not to exceed 5% of Consolidated Total Assets that are attributable to Restricted Subsidiaries that are Foreign Subsidiaries;

(16) overdrafts paid within 10 Business Days;

(17) customary purchase price adjustments and indemnifications in connection with acquisition or disposition of stock or assets;

(18) guarantees to suppliers, licensors, artists or franchisees (other than guarantees of Indebtedness) in the ordinary course of business;

(19) Indebtedness arising in connection with endorsement of instruments for collection or deposit in the ordinary course of business;

(20) Indebtedness consisting of obligations to pay insurance premiums in an amount not to exceed the annual premiums in respect of such insurance premiums at any one time outstanding; and

(21) Indebtedness the proceeds of which are applied to defease or discharge the Notes pursuant to Article 8 hereto.

(c) For purposes of determining compliance with this Section 4.09, (1) the outstanding principal amount of any item of Indebtedness shall be counted only once, and any obligation arising under any guarantee, Lien, letter of credit or similar instrument supporting such Indebtedness incurred in compliance with this Section 4.09 shall be disregarded, and (2) if an item of Indebtedness meets the criteria of more than one of the categories described in clauses (b)(1) through (21) above or is permitted to be incurred pursuant to Section 4.09(a) and also meets the criteria of one or more of the categories described in clauses (1) through (21) of Section 4.09(b), the Issuer shall, in its sole discretion, classify such item of Indebtedness in any manner that complies with this Section 4.09 and may from time to time reclassify such item of Indebtedness in any manner in which such item could be incurred at the time of such reclassification; *provided* that Indebtedness outstanding under the Credit Agreement on the Issue Date or (and any Indebtedness secured by a Lien that refinances such Indebtedness) shall be deemed to be outstanding under paragraph (b)(2) above and may not be reclassified.

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(d) Accrual of interest or dividends or Preferred Equity Interests, the accretion of original issue discount and the payment of interest or dividends on Preferred Equity Interests in the form of additional Indebtedness or Preferred Equity Interests of the same class shall not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09. Any increase in the amount of Indebtedness solely by reason of currency fluctuations shall not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09. A change in GAAP that results in an obligation existing at the time of such change, not previously classified as Indebtedness, becoming Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of determining compliance with this Section 4.09.

(e) The amount of indebtedness outstanding as of any date shall be (1) the accreted value thereof, in the case of any Indebtedness issued with original issue discount, (2) the principal amount thereof, in the case of any other Indebtedness, (3) in the case of the guarantee by the specified Person of any Indebtedness of any other Person, the maximum liability to which the specified Person may be subject upon the occurrence of the contingency giving rise to the obligation and (4) in the case of Indebtedness of others guaranteed by means of a Lien on any asset of the specified Person, the lesser of (A) the Fair Market Value of such asset on the date on which Indebtedness is required to be determined pursuant to this Indenture and (B) the amount of the Indebtedness so secured.

(f) For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be calculated by the Issuer based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred, in the case of term Indebtedness, or first committed, in the case of revolving credit Indebtedness; *provided* that if such Indebtedness is incurred to refinance other Indebtedness denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-dominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-dominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Issuer may incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

#### SECTION 4.10. *Limitation on Asset Sales.*

The Issuer shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, consummate any Asset Sale unless:

(1) the Issuer or such Restricted Subsidiary receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (determined as of the time of contractually agreeing to such Asset Sale) of the assets included in such Asset Sale (such

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Fair Market Value to be determined by (i) an executive officer of the Issuer or such Subsidiary if the value is less than \$50.0 million or (ii) in all other cases by a resolution of the Issuer's Board of Directors (or of a committee appointed thereby for such purposes)); and

(2) at least 75% of the total consideration in such Asset Sale consists of cash or Cash Equivalents or Marketable Securities.

For purposes of clause (2), the following shall be deemed to be cash:

(a) the amount (without duplication) of any Indebtedness (other than Subordinated Indebtedness) of the Issuer or such Restricted Subsidiary that is expressly assumed by the transferee in such Asset Sale and with respect to which the Issuer or such Restricted Subsidiary, as the case may be, is unconditionally released by the holder of such Indebtedness,

(b) the amount of any obligations or securities received from such transferee that are within 180 days converted by the Issuer or such Restricted Subsidiary to cash (to the extent of the cash actually so received), and

(c) the Fair Market Value of any assets (other than securities) received by the Issuer or any Restricted Subsidiary to be used by the Issuer or any Restricted Subsidiary in a Permitted Business.

If the Issuer or any Restricted Subsidiary engages in an Asset Sale, the Issuer or such Restricted Subsidiary shall apply all or any of the Net Proceeds therefrom to:

(1) repay Indebtedness under any Credit Facility, and in the case of any such repayment under any revolving credit facility, effect a permanent reduction in the availability under such revolving credit facility; or

(2) (A) invest all or any part of the Net Proceeds thereof in capital expenditures or the purchase of assets to be used by the Issuer or any Restricted Subsidiary in a Permitted Business, (B) acquire Equity Interests in a Person that is a Restricted Subsidiary or in a Person engaged primarily in a Permitted Business that shall become a Restricted Subsidiary immediately upon the consummation of such acquisition or (C) a combination of (A) and (B).

Any Net Proceeds from any Asset Sale that are not applied or invested (or committed pursuant to a written agreement to be applied) as provided in the preceding paragraph within 365 days after the receipt thereof and, in the case of any amount committed to a reinvestment, which are not actually so applied within 180 days following such 365 day period shall constitute "*Excess Proceeds*" and shall be applied to an offer to purchase Notes and other senior Indebtedness of the Issuer if and when required under Section 3.08. Pending the final application of any such Net Proceeds, the Issuer or such Restricted Subsidiary may temporarily reduce revolving indebtedness under a Credit Facility, if any, or otherwise invest such Net Proceeds in any manner not prohibited by this Indenture.

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SECTION 4.11. *Limitation on Transactions with Affiliates.*

The Issuer shall not and shall not permit any Restricted Subsidiary to, directly or indirectly, sell, lease, transfer or otherwise dispose of any of the Issuer's or any Restricted Subsidiary's properties or assets to, or purchase any property or assets from, or enter into any contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (including any Unrestricted Subsidiary) (each of the foregoing, an "*Affiliate Transaction*"), unless:

(a) such Affiliate Transaction is on terms that are not materially less favorable, taken as a whole, to the Issuer or such Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Issuer or such Restricted Subsidiary with an unrelated Person; *provided* that such transaction shall be deemed to be at least as favorable as the terms that could have been obtained in a comparable transaction with an unrelated Person if such transaction is approved by the members of (x) the Board of Directors or (y) any duly constituted committee thereof, in each case including a majority of the disinterested members thereof who meet the independence requirements of the New York Stock Exchange or NASDAQ; and

(b) if such Affiliate Transaction involves aggregate payments in excess of \$50.0 million, such Affiliate Transaction has either (i) been approved by a resolution of the members of (x) the Board of Directors of the Issuer or (y) any duly constituted committee thereof, in each case including a majority of the disinterested members thereof who meet the independence requirements of the New York Stock Exchange or NASDAQ or (ii) if there are no disinterested directors on the Board of Directors of the Issuer, the Issuer or such Restricted Subsidiary has obtained the favorable opinion of an Independent Financial Advisor as to the fairness of such Affiliate Transaction to the Issuer or the relevant Restricted Subsidiary, as the case may be, from a financial point of view;

*provided, however*, that the following shall, in each case, not be deemed Affiliate Transactions:

(i) the entry into employment agreements and the adoption of compensation or benefit plans for the benefit of, or the payment of compensation to, directors and management of the Issuer and its Subsidiaries (including, without limitation, salaries, fees, bonuses, equity and incentive arrangements and payments);

(ii) indemnification or similar arrangements for officers, directors, employees or agents of the Issuer or any of the Restricted Subsidiaries pursuant to charter, bylaw, statutory or contractual provisions;

(iii) transactions between or among the Issuer and the Restricted Subsidiaries;

(iv) Restricted Payments not prohibited by Section 4.07 and Permitted Investments

(v) any transactions between the Issuer or any of the Restricted Subsidiaries and any Affiliate of the Issuer the Equity Interests of which Affiliate are owned solely by



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the Issuer or one of the Restricted Subsidiaries, on the one hand, and by persons who are not Affiliates of the Issuer or Restricted Subsidiaries, on the other hand;

(vi) any agreements or arrangements in effect on the Issue Date and described or incorporated by reference in the Offering Memorandum and any modifications, extensions or renewals thereof that are no less favorable to the Issuer or the applicable Restricted Subsidiary in any material respect than such agreement as in effect on the Issue Date;

(vii) so long as they comply with clause (a) above, transactions with customers, clients, lessors, landlords, suppliers, contractors or purchasers or sellers of goods or services that are Affiliates, in each case in the ordinary course of business and otherwise in compliance with the terms of this Indenture;

(viii) the Transactions;

(ix) transactions with Persons who are Affiliates of the Issuer solely as a result of the Issuer's or a Restricted Subsidiary's Investment in such Person;

(x) sales of Equity Interests to Affiliates of the Issuer or its Restricted Subsidiaries not otherwise prohibited by this Indenture and the granting of registration and other customary rights in connection therewith;

(xi) transactions with an Affiliate where the only consideration paid is Equity Interests of the Issuer other than Disqualified Stock;

(xii) transactions in which the Issuer or any of its Restricted Subsidiaries, as the case may be, deliver to the Trustee a letter from an Independent Financial Advisor stating that such transaction is fair to the Issuer or such Restricted Subsidiary from a financial point of view or meets the requirements of this covenant;

(xiii) transactions with joint ventures or Unrestricted Subsidiaries entered into in the ordinary course of business; and

(xiv) transactions between the Issuer or any of its Restricted Subsidiaries and any Person, a director of which is also a director of the Issuer; *provided, however*, that such director abstains from voting as a director on any matter involving such other Person.

#### SECTION 4.12. ***Limitation on Liens.***

The Issuer shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create, incur or assume any Lien on any asset now owned or hereafter acquired, or on any income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens.

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SECTION 4.13. *Additional Subsidiary Guarantees.*

If any of the Issuer's Domestic Subsidiaries that is not a Guarantor guarantees or becomes otherwise obligated under a Credit Facility incurred under Section 4.09(b)(2) or Indebtedness incurred in reliance on Section 4.09(a) (other than under the second proviso thereto), then in each case such guarantor or obligor shall (i) execute and deliver to the Trustee a supplemental indenture reasonably satisfactory to the Trustee pursuant to which such Restricted Subsidiary shall unconditionally guarantee all of the Issuer's obligations under the Notes and this Indenture on the terms set forth in this Indenture and (ii) deliver to the Trustee an Opinion of Counsel that such supplemental indenture has been duly authorized, executed and delivered by such Restricted Subsidiary and constitutes a legal, valid, binding and enforceable obligation of such Restricted Subsidiary. Thereafter, such Restricted Subsidiary shall be a Guarantor for all purposes of this Indenture.

SECTION 4.14. *Organizational Existence.*

Subject to Article 5 hereof and the proviso to this Section 4.14, the Issuer shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its existence as a corporation and, subject to Section 4.10 hereof, the corporate, limited liability company, partnership or other existence of any Significant Subsidiary, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Issuer or any Significant Subsidiary and (ii) subject to Section 4.10 hereof, the rights (charter and statutory), licenses and franchises of the Issuer and its Significant Subsidiaries; *provided, however*, that the Issuer shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any Significant Subsidiary if the Board of Directors of the Issuer shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Issuer and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Notes.

SECTION 4.15. *Change of Control.*

Upon the occurrence of a Change of Control, the Issuer shall make an offer (a "*Change of Control Offer*") to each Holder of Notes to repurchase all or any part (equal to \$1,000 or an integral multiple thereof) of such Holder's Notes at a purchase price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest thereon to the date of repurchase (subject to the rights of holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date) (in either case, the "*Change of Control Payment*"). Within 30 days following any Change of Control, the Issuer shall mail a notice to each Holder with a copy to the Trustee stating:

- (1) that the Change of Control Offer is being made pursuant to this Section 4.15;
- (2) the purchase price and the purchase date, which shall be no earlier than 30 days and not later than 60 days after the date such notice is mailed (the "*Change of Control Payment Date*");

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(3) that any Notes not tendered will continue to accrue interest in accordance with the terms hereof;

(4) that, unless the Issuer defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer shall cease to accrue interest on the Change of Control Payment Date;

(5) that Holders will be entitled to withdraw their election if the paying agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is unconditionally withdrawing its election to have such Notes purchased;

(6) that holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to \$2,000 in principal amount or an integral multiple of \$1,000 in excess thereof; and

(7) any other information material to such Holder's decision to tender Notes.

The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the Notes required in the event of a Change of Control. The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to Change of Control Offer made by the Issuer. The Issuer's obligations in respect of a Change of Control Offer can be modified with the consent of holders of a majority of the aggregate principal amount of Notes then outstanding at any time prior to the occurrence of a Change of Control. Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control, conditional upon such Change of Control, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

#### SECTION 4.16. *Suspension of Covenants.*

(a) During any period of time after the Issue Date that (i) the Notes are rated Investment Grade by both Rating Agencies and (ii) no Default has occurred and is continuing under this Indenture (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "*Covenant Suspension Event*"), the Issuer and its Restricted Subsidiaries will not be subject to the following Sections (the "*Suspended Covenants*"):

(1) Section 3.08;

(2) Section 4.07;

(3) Section 4.08;

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- (4) Section 4.09;
  - (5) Section 4.10;
  - (6) Section 4.11;
  - (7) clause (d) of the first paragraph of Section 5.01.

(b) At such time as Sections 3.08, 4.07, 4.08, 4.09, 4.10, 4.11 and clause (d) of the first paragraph of Section 5.01 are suspended (a “*Suspension Period*”), the Issuer shall no longer be permitted to designate any Restricted Subsidiary as an Unrestricted Subsidiary.

(c) In the event that the Issuer and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of the foregoing, and on any subsequent date (the “*Reversion Date*”) one or both of the Rating Agencies withdraw their Investment Grade Rating or downgrade the rating assigned to the Notes below Investment Grade, then the Issuer and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenant with respect to future events.

(d) On each Reversion Date, all Indebtedness incurred during the Suspension Period prior to such Reversion Date will be deemed to be Existing Indebtedness. For purposes of calculating the amount available to be made as Restricted Payments under clause (3) of Section 4.07(a), calculations under such section shall be made as though such section had been in effect during the entire period of time after the Issue Date (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (2) through (10) under Section 4.07(b) will reduce the amount available to be made as Restricted Payments under clause (3) of such Section 4.07(a), *provided* that the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. For purposes of Section 3.08, on the Reversion Date, the unutilized amount of Net Proceeds will be reset to zero. Notwithstanding the foregoing, neither (a) the continued existence, after the Reversion Date, of facts and circumstances or obligations that were incurred or otherwise came into existence during a Suspension Period nor (b) the performance of any such obligations, shall constitute a breach of any covenant set forth herein or cause a Default or Event of Default thereunder; *provided* that (1) the Issuer and its Restricted Subsidiaries did not incur or otherwise cause such facts and circumstances or obligations to exist in anticipation of a withdrawal or downgrade by the applicable Rating Agency below an Investment Grade Rating and (2) the Issuer reasonably believed that such incurrence or actions would not result in such withdrawal or downgrade.

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ARTICLE 5  
SUCCESSORS

SECTION 5.01. *Merger, Consolidation or Sale of Assets.*

The Issuer shall not consolidate or merge with or into (whether or not the Issuer is the surviving entity), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to, another Person unless:

(a) the Issuer is the surviving Person or the Person formed by or surviving any such consolidation or merger (if other than the Issuer ) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation, limited partnership or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia; *provided, however*, that if the surviving Person is a limited liability company or limited partnership, such entity shall also form a co-issuer that is a corporation;

(b) the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the Issuer's obligations pursuant to a supplemental indenture in form reasonably satisfactory to the Trustee under the Notes and this Indenture;

(c) immediately after such transaction, no Default or Event of Default exists; and

(d) the Issuer or the Person formed by or surviving any such consolidation or merger (if other than the Issuer) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made (i) will have a Consolidated Fixed Charge Coverage Ratio immediately after the transaction (but prior to any purchase accounting adjustments or accrual of deferred tax liabilities resulting from the transaction) not less than the Issuer's Consolidated Fixed Charge Coverage Ratio immediately preceding the transaction or (ii) would, at the time of such transaction after giving *pro forma* effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least \$1.00 of additional Indebtedness pursuant to Section 4.09(a).

Notwithstanding the foregoing, (i) any Restricted Subsidiary may consolidate with or merge into or transfer all or part of its properties and assets to the Issuer or another Restricted Subsidiary, (ii) the Issuer may complete the Transactions.

Notwithstanding the foregoing clauses (c) and (d), this Article 5 will not apply to a merger of the Issuer with a Restricted Subsidiary solely for the purpose of reorganizing the Issuer in another jurisdiction of the United States so long as the amount of Indebtedness of the Issuer and the Restricted Subsidiary is not increased thereby.

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SECTION 5.02. *Successor Corporation Substituted.*

Upon any consolidation or merger, or any sale, lease, conveyance or other disposition of all or substantially all of the assets of the Issuer in accordance with Section 5.01 hereof, the successor Person formed by such consolidation or into or with which the Issuer is merged or to which such sale, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, lease, conveyance or other disposition, the provisions hereof referring to the Issuer shall refer instead to the successor corporation and not to the Issuer), and may exercise every right and power of, the Issuer under this Indenture with the same effect as if such successor Person has been named as the Issuer herein. When a successor Person assumes all the obligations of the Issuer under the Notes and the Indenture pursuant to this Article 5, the applicable predecessor shall be released from the obligations so assumed.

ARTICLE 6

DEFAULTS AND REMEDIES

SECTION 6.01. *Events of Default.*

Each of the following constitutes an “*Event of Default*”:

- (a) default for 30 days in the payment when due of interest or additional interest, if any, on the Notes;
- (b) default in payment when due of principal of or premium, if any, on the Notes at maturity, upon repurchase, redemption or otherwise;
- (c) failure to comply for 30 days after notice with any obligations under the provisions described under Sections 3.08, 4.10, 4.15 and 5.01 (other than a failure to purchase Notes duly tendered to the Issuer for repurchase pursuant to a Change of Control Offer or an Excess Proceeds Offer);
- (d) subject to the last paragraph of Section 6.02, default under any other provision of this Indenture or the Notes, which default remains uncured for 60 days after notice from the Trustee or the Holders of at least 25% of the aggregate principal amount then outstanding of the Notes;
- (e) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer and any of the Restricted Subsidiaries), which default is caused by a failure to pay the principal of such Indebtedness at the final stated maturity thereof within the grace period provided in such Indebtedness (a “*Payment Default*”), and the principal amount of any such Indebtedness, together with the principal amount of any

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other such Indebtedness under which there has been a Payment Default, aggregates \$50.0 million or more;

(f) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer or any of the Restricted Subsidiaries), which default results in the acceleration of such Indebtedness prior to its express maturity not rescinded or cured within 30 days after such acceleration, and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated and remains undischarged after such 30 day period, aggregates \$50.0 million or more;

(g) failure by the Issuer and any of the Restricted Subsidiaries to pay final judgments (other than any judgment as to which a reputable insurance company has accepted full liability) aggregating \$50.0 million or more, which judgments are not stayed within 60 days after their entry;

(h) any Guarantee of a Significant Subsidiary shall be held in a judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect, or any Guarantor that qualifies as a Significant Subsidiary, or any person acting on behalf of any Guarantor that qualifies as a Significant Subsidiary, shall deny or disaffirm its obligations under its Guarantee;

(i) the Issuer or any Significant Subsidiary of the Issuer pursuant to or within the meaning of Bankruptcy Law (i) commences a voluntary case; (ii) consents to the entry of an order for relief against it in an involuntary case; (iii) consents to the appointment of a custodian of it or for all or substantially all of its property; or (iv) makes a general assignment for the benefit of its creditors; and

(j) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that: (i) is for relief against the Issuer or any Significant Subsidiary of the Issuer in an involuntary case; (ii) appoints a custodian of the Issuer or any Significant Subsidiary of the Issuer or for all or substantially all of the property of the Issuer or any Significant Subsidiary of the Issuer; or (iii) orders the liquidation of the Issuer or any Significant Subsidiary of the Issuer, and the order or decree remains unstayed and in effect for 60 consecutive days.

#### SECTION 6.02. *Acceleration.*

If any Event of Default occurs and is continuing, the Trustee by notice to the Issuer or the Holders of at least 25% of the aggregate principal amount then outstanding of the Notes by written notice to the Issuer and the Trustee, may declare all the Notes to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default specified in paragraph (i) or (j) of Section 6.01 hereof with respect to the Issuer, all outstanding Notes shall become and shall be immediately due and payable without further action or notice. Holders of the Notes may not enforce this Indenture or the Notes except as provided in this Indenture. The Trustee may

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withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in such Holders' interest.

Any failure to perform, or breach under Section 4.03 shall not be a Default or an Event of Default until the 121st day after the Issuer has received the notice referred to in clause (d) of Section 6.01 (at which point, unless cured or waived, such failure to perform or breach shall constitute an Event of Default). Prior to such 121st day, remedies against the Issuer for any such failure or breach will be limited to additional interest at a rate per year equal to 0.25% of the principal amount of such Notes from the 60th day following such notice to and including the 121st day following such notice.

**SECTION 6.03. *Other Remedies.***

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, and interest on the Notes or to enforce the performance of any provision of the Notes and this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

**SECTION 6.04. *Waiver of Past Defaults.***

Holders of not less than a majority in aggregate principal amount of Notes then outstanding, by written notice to the Trustee, may on behalf of the Holders of all of the Notes waive an existing Default or Event of Default and its consequences under this Indenture, except a continuing Default or Event of Default in the payment of the principal of, premium, if any, or interest on, the Notes. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose hereof; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

**SECTION 6.05. *Control by Majority.***

Holders of a majority in principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with the law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders of Notes or that may involve the Trustee in personal liability.



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SECTION 6.06. ***Limitation on Suits.***

A Holder of a Note may pursue a remedy with respect to this Indenture or the Notes only if:

- (a) the Holder of a Note gives to the Trustee written notice of a continuing Event of Default;
- (b) the Holders of at least 25% in principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;
- (c) such Holder of a Note or Holders of Notes offer and, if requested, provide to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense;
- (d) the Trustee does not comply with the request within 60 days after receipt of the request and the offer and, if requested, the provision of indemnity; and
- (e) during such 60-day period the Holders of a majority in principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with the request.

A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note.

SECTION 6.07. ***Rights of Holders of Notes To Receive Payment.***

Notwithstanding any other provision hereof, the right of any Holder of a Note to receive payment of principal, premium, if any, and interest on the Note, on or after the respective due dates expressed in the Note, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of the Holder of the Note.

SECTION 6.08. ***Collection Suit by Trustee.***

If an Event of Default specified in Section 6.01(a) or (b) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount of principal of, premium, if any, and interest remaining unpaid on the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

SECTION 6.09. ***Trustee May File Proofs of Claim.***

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Issuer

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(or any other obligor upon the Notes), the Issuer's creditors or the Issuer's property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder of a Note to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders of the Notes, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties which the Holders of the Notes may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder of a Note any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder of a Note thereof, or to authorize the Trustee to vote in respect of the claim of any Holder of a Note in any such proceeding.

**SECTION 6.10. *Priorities.***

If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expense and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any and interest, respectively; and

Third: to the Issuer or to such party as a court of competent jurisdiction shall direct in writing.

The Trustee may fix a record date and payment date for any payment to Holders of Notes.

**SECTION 6.11. *Undertaking for Costs.***

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by

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the Trustee, a suit by a Holder of a Note pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in principal amount of the then outstanding Notes pursuant to this Article 6.

## ARTICLE 7

### TRUSTEE

#### SECTION 7.01. *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent Person would exercise or use under the circumstances in the conduct of his or her own affairs.

(b) Except during the continuance of an Event of Default,

(i) the duties of the Trustee shall be determined solely by the express provisions hereof and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements hereof. However, in the case of certificates or opinions specifically required by any provision hereof to be furnished to it, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements hereof but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to this Section 7.01.

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(e) No provision hereof shall require the Trustee to expend or risk its own funds or incur any liability. The Trustee shall be under no obligation to exercise any of its rights or powers under this Indenture at the request of any Holders of Notes, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to the Trustee against any loss, liability or expense.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

**SECTION 7.02. *Rights of Trustee.***

(a) The Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any document (whether in original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document;

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(c) The Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care;

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers conferred upon it by this Indenture;

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from an Issuer shall be sufficient if signed by an Officer of such Issuer;

(f) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders shall have offered to the Trustee security or indemnity reasonably satisfactory to it against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction;

(g) Except with respect to Section 4.01 hereof, the Trustee shall have no duty to inquire as to the performance of the Issuer's covenants in Article 4. The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture;

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(h) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder;

(i) The Trustee may request that the Issuer deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture; and

(j) In no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

**SECTION 7.03. *Individual Rights of Trustee.***

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuer or any Affiliate of the Issuer with the same rights it would have if it were not the Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as Trustee (if any of the Notes are registered pursuant to the Securities Act), or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.10 and 7.11 hereof.

**SECTION 7.04. *Trustee's Disclaimer.***

(a) The Trustee shall not be responsible for and makes no representation as to the validity or adequacy hereof or the Notes, it shall not be accountable for the Issuer's use of the proceeds from the Notes or any money paid to the Issuer or upon the Issuer's direction under any provision hereof, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

(b) The Trustee shall not be bound to make any investigation into facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Issuer, personally or by agent or attorney at the sole cost of the Issuer.

**SECTION 7.05. *Notice of Defaults.***

If a Default or Event of Default occurs and is continuing and if it is known to a Responsible Officer of the Trustee, the Trustee shall mail to Holders of Notes a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold

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the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of the Notes.

**SECTION 7.06. *Reports by Trustee to Holders of the Notes.***

Within 60 days after each May 15 beginning with May 15, 2010, the Trustee shall mail to the Holders of the Notes a brief report dated as of such reporting date that complies with TIA § 313(a) (but if no event described in TIA § 313(a) has occurred within the twelve months preceding the reporting date, no report need be transmitted). The Trustee also shall comply with TIA § 313(b). The Trustee shall also transmit by mail all reports as required by TIA § 313(c).

A copy of each report at the time of its mailing to the Holders of Notes shall be mailed to the Issuer and filed with the Commission and each stock exchange on which any Notes are listed. The Issuer shall promptly notify the Trustee in writing when any Notes are listed on any stock exchange or any delisting thereof.

**SECTION 7.07. *Compensation and Indemnity.***

The Issuer shall pay to the Trustee from time to time reasonable compensation for its acceptance hereof and services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Issuer shall reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

The Issuer shall indemnify the Trustee against any and all losses, liabilities, claims, damages or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, except any such loss, liability claim, damage or expense as shall be determined to have been caused by the negligence or willful misconduct of the Trustee. The Trustee shall notify the Issuer promptly of any claim of which a Responsible Officer has received written notice for which it may seek indemnity. Failure by the Trustee to so notify the Issuer shall not relieve the Issuer of its obligations hereunder. The Issuer shall defend the claim and the Trustee shall cooperate in the defense. The Trustee may have separate counsel and the Issuer shall pay the reasonable fees and expenses of such counsel. The Issuer need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld.

The obligations of the Issuer under this Section 7.07 shall survive the satisfaction and discharge hereof.

To secure the Issuer's payment obligations in this Section 7.07, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien shall survive the satisfaction and discharge hereof.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(i) or (j) hereof occurs, the expenses and the compensation for the services (including

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the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

**SECTION 7.08. *Replacement of Trustee.***

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Issuer. The Holders of at least a majority in principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuer in writing. The Issuer may remove the Trustee if:

- (a) the Trustee fails to comply with Section 7.10 hereof;
- (b) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;
- (c) a custodian or public officer takes charge of the Trustee or its property; or
- (d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuer shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuer.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Issuer or the Holders of Notes of at least 10% in principal amount of the then outstanding Notes may petition at the expense of the Issuer any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee after written request by any Holder of a Note who has been a Holder of a Note for at least six months fails to comply with Section 7.10 hereof, such Holder of a Note may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders of the Notes. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.07 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Issuer's obligations under Section 7.07 hereof shall continue for the benefit of the retiring Trustee.

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If a Trustee resigns or is removed all fees and expenses of the Trustee incurred in the administration of the trust or in the performance of the duties hereunder shall be paid to the Trustee.

**SECTION 7.09. *Successor Trustee by Merger, Etc.***

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act shall be the successor Trustee.

**SECTION 7.10. *Eligibility; Disqualification.***

There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America or of any state thereof authorized under such laws to exercise corporate trustee power, shall be subject to supervision or examination by federal or state authority and shall have a combined capital and surplus of at least \$25 million as set forth in its most recent published annual report of condition.

This Indenture shall always have a Trustee who satisfies the requirements of TIA § 310(a)(1), (2) and (5). The Trustee is subject to TIA § 310(b).

**SECTION 7.11. *Preferential Collection of Claims Against Issuer.***

The Trustee is subject to TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated therein.

ARTICLE 8

DISCHARGE OF INDENTURE; DEFEASANCE

**SECTION 8.01. *Termination of the Issuer's Obligations.***

(a) The Issuer may terminate its Obligations as to all outstanding Notes, except those obligations referred to in paragraph (b) of this Section 8.01, when

(1) either:

(a) all the Notes theretofore authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust) have been delivered to the Trustee for cancellation; or

(b) all Notes not theretofore delivered to the Trustee for cancellation have become due and payable or, within one year will become due and payable or



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subject to redemption as set forth in Section 3.07 and the Issuer has irrevocably deposited or caused to be deposited with the Trustee funds in an amount sufficient to pay and discharge the entire Indebtedness on the Notes not theretofore delivered to the Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit together with irrevocable instructions from the Issuer directing the Trustee to apply such funds to the payment thereof at maturity or redemption, as the case may be;

(2) the Issuer has paid all other sums payable under this Indenture by the Issuer; and

(3) the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel stating that all conditions precedent under this Indenture relating to the satisfaction and discharge hereof have been complied with; *provided, however*, that such counsel may rely, as to matters of fact, on a certificate or certificates of Officers of the Issuer.

(b) Notwithstanding paragraph (a) of this Section 8.01, the Issuer's obligations in Sections 2.03, 2.04, 2.05, 2.06, 7.07, 7.08, 8.07 and 8.08 hereof shall survive until the Notes are no longer outstanding pursuant to Section 2.08 hereof. After the Notes are no longer outstanding, the Issuer's obligations in Sections 7.07, 7.08, 8.07 and 8.08 hereof shall survive such satisfaction and discharge.

**SECTION 8.02. *Option To Effect Legal Defeasance or Covenant Defeasance.***

The Issuer may, at the option of its Board of Directors evidenced by a resolution set forth in an Officers' Certificate, at any time, with respect to the Notes, elect to have either Section 8.03 or 8.04 hereof applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

**SECTION 8.03. *Legal Defeasance and Covenant Discharge.***

Upon the Issuer's exercise under Section 8.02 hereof of the option applicable to this Section 8.03, the Issuer shall be deemed to have been discharged from their obligations with respect to all outstanding Notes on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, such Legal Defeasance means that the Issuer shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.06 hereof and the other Sections hereof referred to in clauses (a) and (b) below, and to have satisfied all its other obligations under such Notes and this Indenture (and the Trustee, on demand of and at the expense of the Issuer, shall execute proper instruments acknowledging the same), except for the following, which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, and interest on the Notes when such payments are due, or on the redemption date, as the case may be; (b) the Issuer's obligations with respect to such Notes under Sections 2.05, 2.07, 2.08, 2.10, 2.11 and 4.02 hereof; (c) the rights, powers, trust, duties and immunities of the Trustee hereunder, and the Issuer's obligations in connection therewith; and

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(d) this Section 8.03. Subject to compliance with this Article 8, the Issuer may exercise its option under this Section 8.03 notwithstanding the prior exercise of its option under Section 8.04 hereof with respect to the Notes.

**SECTION 8.04. *Covenant Defeasance.***

Upon the Issuer's exercise under Section 8.02 hereof of the option applicable to this Section 8.04, the Issuer shall be released from its obligations under the covenants contained in Sections 3.08, 4.03, 4.04, 4.05, 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.14 (other than existence of the Issuer (subject to Section 5.01), 4.15, 5.01 (except clauses (a) and (b)) and 10.03 hereof with respect to the outstanding Notes on and after the date the conditions set forth below are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for GAAP). For this purpose, such *Covenant Defeasance* means that, with respect to the outstanding Notes, the Issuer may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.01(c) hereof, but, except as specified above, the remainder hereof and such Notes shall be unaffected thereby. In addition, upon the Issuer's exercise under Section 8.02 hereof of the option applicable to this Section 8.04, Sections 6.01(c) through 6.01(g) shall not constitute Events of Default.

**SECTION 8.05. *Conditions to Legal or Covenant Defeasance.***

The following shall be the conditions to the application of either Section 8.03 or Section 8.04 hereof to the outstanding Notes:

(a) the Issuer shall irrevocably have deposited with the Trustee, in trust, for the benefit of the Holders of the Notes, cash in U.S. dollars, non-callable U.S. government obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants selected by the Trustee, to pay the principal of, premium, if any, and interest on the outstanding Notes on the stated maturity or on the applicable optional redemption date, as the case may be;

(b) in the case of an election under Section 8.03 hereof, the Issuer shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that (A) the Issuer has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the Issue Date, there has been a change in the applicable federal income tax law, in each case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the Notes will not recognize income, gain or loss for federal income tax purposes as a result of such *Legal Defeasance*, and will be subject to federal income tax in the same amount, in the

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same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(c) in the case of an election under Section 8.04, the Issuer shall have delivered to the Trustee an Opinion of Counsel reasonably acceptable to such Trustee confirming that the holders of the Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default shall have occurred and be continuing on the date of such deposit;

(e) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture or any other material agreement or instrument to which the Issuer or any of its Subsidiaries is a party or by which the Issuer or any of its Subsidiaries is bound;

(f) the Issuer shall have delivered to the Trustee an Officers' Certificate stating that the deposit made by the Issuer pursuant to its election under Section 8.03 and 8.04 hereof was not made by the Issuer with the intent of preferring the Holders of the Notes over any of its other creditors or with the intent of defeating, hindering, delaying or defrauding any of its other creditors or others; and

(g) the Issuer shall have delivered to the Trustee an Officers' Certificate stating that all conditions precedent provided for or relating to the Legal Defeasance under Section 8.03 hereof or the Covenant Defeasance under Section 8.04 hereof (as the case may be) have been complied with as contemplated by this Section 8.05.

**SECTION 8.06. *Deposited Money and Government Securities To Be Held in Trust; Other Miscellaneous Provisions.***

Subject to Section 8.07 hereof, all money and Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.06, the "*Trustee*") pursuant to Section 8.05 hereof in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including an Issuer acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Issuer shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or Government Securities deposited pursuant to Section 8.05 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Anything in this Article 8 to the contrary notwithstanding, the Trustee shall deliver or pay to the Issuer from time to time upon the request of the Issuer any money or Government Securities

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held by it as provided in Section 8.05 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.05(a) hereof), are in excess of the amount thereof which would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

**SECTION 8.07. *Repayment to Issuer.***

Any money deposited with the Trustee or any Paying Agent, or then held by the Issuer, in trust for the payment of the principal of, premium, if any, or interest on any Note and remaining unclaimed for two years after such principal, and premium, if any, or interest has become due and payable shall be paid to the Issuer on their request or (if then held by the Issuer) shall be discharged from such trust; and the Holder of such Note shall thereafter, as a general creditor, look only to the Issuer for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer as trustees thereof, shall thereupon cease; *provided, however,* that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Issuer cause to be published once, in The New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Issuer.

**SECTION 8.08. *Reinstatement.***

If the Trustee or Paying Agent is unable to apply any United States Dollars or Government Securities in accordance with Section 8.03 or 8.04 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuer's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.03 or 8.04 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.03 or 8.04 hereof, as the case may be; *provided, however,* that, if the Issuer makes any payment of principal of, premium, if any, or interest on any Note following the reinstatement of its obligations, the Issuer shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9

AMENDMENT, SUPPLEMENT AND WAIVER

**SECTION 9.01. *Without Consent of Holders of Notes.***

Notwithstanding Section 9.02 hereof, the Issuer, the Guarantors and the Trustee may amend or supplement this Indenture, the Notes and the Guarantees or any amended or supplemental indenture without the consent of any Holder of a Note:

- (a) to cure any ambiguity, defect or inconsistency;

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(b) to provide for uncertificated Notes or Guarantees in addition to or in place of certificated Notes or Guarantees (*provided* that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);

(c) to provide for the assumption of the obligations of the Issuer or any Guarantor to the Holders of the Notes in the case of a merger or consolidation pursuant to Article 5 or Article 10 hereof;

(d) to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the rights hereunder of any Holder of the Notes;

(e) to provide for the issuance of additional Notes in accordance with the provisions set forth in this Indenture;

(f) to evidence and provide for the acceptance of an appointment of a successor Trustee;

(g) to add Guarantees with respect to the Notes;

(h) to conform the Indenture or the Notes to the "Description of notes" section in the Offering Memorandum; or

(i) to comply with requirements of the Commission in order to effect or maintain the qualification hereof under the TIA.

Upon the request of the Issuer accompanied by a resolution of the Board of Directors of the Issuer and a resolution of the Board of Directors of each Guarantor and upon receipt by the Trustee of the documents described in Section 11.04 hereof, the Trustee shall join with the Issuer and the Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms hereof and shall make any further appropriate agreements and stipulations which may be therein contained, but the Trustee shall not be obligated to enter into such amended or supplemental indenture which affects its own rights, duties or immunities under this Indenture or otherwise.

**SECTION 9.02. *With Consent of Holders of Notes.***

The Issuer, the Guarantors and the Trustee may amend or supplement this Indenture, the Notes or the Guarantees or any amended or supplemental indenture with the written consent of the Holders of at least a majority of the aggregate principal amount of Notes then outstanding (including consents obtained in connection with an exchange offer or tender offer for the Notes), and any existing Default and its consequences or compliance with any provision hereof or the Notes may be waived with the consent of the Holders of a majority of the aggregate principal amount of Notes then outstanding (including consents obtained in connection with an exchange offer or tender offer for the Notes). Notwithstanding the foregoing, without the consent of each Holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder):

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- (a) reduce the aggregate principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;
  - (b) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than as provided in clause (h) below);
  - (c) reduce the rate of or change the time for payment of interest on any Note;
  - (d) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);
  - (e) make any Note payable in money other than that stated in the Notes;
  - (f) make any change in the provisions hereof relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of or interest on the Notes;
  - (g) waive a redemption payment or mandatory redemption with respect to any Note (other than as provided in clause (h) below);
  - (h) amend, change or modify in any material respect the obligation of the Issuer to make and consummate a Change of Control Offer in the event of a Change of Control after such Change of Control has occurred;
  - (i) release all or substantially all of the Guarantees of the Guarantors other than in accordance with Article 10; or
  - (j) make any change in the foregoing amendment and waiver provisions.

Upon the request of the Issuer accompanied by a resolution of the Board of Directors of the Issuer and a resolution of the Board of Directors of each Guarantor, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 11.04 hereof, the Trustee shall join with the Issuer and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such amended or supplemental indenture.

It shall not be necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Issuer shall mail to the Holders of Notes affected thereby a notice briefly describing the

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amendment, supplement or waiver. Any failure of the Issuer to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding may waive compliance in a particular instance by the Issuer with any provision of this Indenture or of the Notes.

**SECTION 9.03. *Compliance with Trust Indenture Act.***

Every amendment or supplement to this Indenture and the Notes shall be set forth in an amended or supplemental indenture that complies with the TIA as then in effect.

**SECTION 9.04. *Revocation and Effect of Consents.***

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the waiver, supplement or amendment becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder of a Note.

The Issuer may fix a record date for determining which Holders of the Notes must consent to such amendment, supplement or waiver. If the Issuer fixes a record date, the record date shall be fixed at (i) the later of 30 days prior to the first solicitation of such consent or the date of the most recent list of Holders of Notes furnished to the Trustee prior to such solicitation pursuant to Section 2.05 hereof or (ii) such other date as the Issuer shall designate.

**SECTION 9.05. *Notation on or Exchange of Notes.***

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Issuer in exchange for all Notes may issue and the Trustee shall authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

**SECTION 9.06. *Trustee To Sign Amendments, Etc.***

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an Opinion of Counsel and an Officers' Certificate stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

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ARTICLE 10  
GUARANTEES

SECTION 10.01. *Guarantee.*

Each of the Guarantors, jointly and severally, hereby unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the Obligations of the Issuer hereunder or thereunder, that:

(a) the principal of, premium, if any, and interest on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other Obligations of the Issuer to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(b) in case of any extension of time of payment or renewal of any Notes or any of such other Obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, each of the Guarantors, jointly and severally, will be obligated to pay the same immediately.

Each of the Guarantors, jointly and severally, hereby agrees that its obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of a Note with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor.

Each of the Guarantors, jointly and severally, hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest, notice and all demands whatsoever and covenants that this Guarantee will not be discharged except by complete performance of the Obligations guaranteed hereby. If any Holder or the Trustee is required by any court or otherwise, or any custodian, Trustee, liquidator or other similar official acting in relation to either the Issuer or any Guarantor, to return to the Issuer or any Guarantor any amount paid by either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

Each of the Guarantors, jointly and severally, agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any Obligations guaranteed hereby until payment in full of all Obligations guaranteed hereby. Each of the Guarantors, jointly and severally, further agrees that, as between such Guarantor, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the Obligations guaranteed hereby may be accelerated



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as provided in Article 6 for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such Obligations as provided in Article 6, such Obligations (whether or not due and payable) shall forthwith become due and payable by each Guarantor for the purpose of this Guarantee. Notwithstanding the foregoing, in the event that any Guarantee would constitute or result in a violation of any applicable fraudulent conveyance or similar law of any relevant jurisdiction, the liability of the applicable Guarantor under its Guarantee shall be reduced to the maximum amount permissible under such fraudulent conveyance or similar law.

The Guarantors hereby agree as among themselves that each Guarantor that makes a payment or distribution under a Guarantee shall be entitled to a *pro rata* contribution from each other Guarantor hereunder based on the net assets of each other Guarantor. The preceding sentence shall in no way affect the rights of the Holders of Notes to the benefits hereof, the Notes or the Guarantees.

Nothing contained in this Section 10.01 or elsewhere in this Indenture, the Notes or the Guarantees shall impair, as between any Guarantor and the Holder of any Note, the obligation of such Guarantor, which is unconditional and absolute, to pay to the Holder thereof the principal of, premium, if any, and interest on such Notes in accordance with their terms and the terms of the Guarantee and this Indenture, nor shall anything herein or therein prevent the Trustee or the Holder of any Note from exercising all remedies otherwise permitted by applicable law or hereunder or thereunder upon the occurrence of an Event of Default.

**SECTION 10.02. *Execution and Delivery of Guarantees.***

To evidence its Guarantee set forth in Section 10.01 hereof, each Guarantor hereby agrees that a notation of such Guarantee substantially in the form of Exhibit B hereto shall be endorsed by an officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture shall be executed on behalf of such Guarantor by any of its Officers. Each of the Guarantors, jointly and severally, hereby agrees that its Guarantee set forth in Section 10.01 hereof shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee. If an officer or Officer whose signature is on this Indenture or on the Guarantee of a Guarantor no longer holds that office at the time the Trustee authenticates the Note on which the Guarantee of such Guarantor is endorsed, the Guarantee of such Guarantor shall be valid nevertheless. The delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantees set forth in this Indenture on behalf of the Guarantors.

**SECTION 10.03. *Merger, Consolidation or Sale of Assets of Guarantors.***

Subject to Section 10.05 hereof, a Guarantor may not, and the Issuer will not cause or permit any Guarantor to, consolidate or merge with or into (whether or not such Guarantor is the surviving entity), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions to, another Person other than the Issuer or another Guarantor (in each case other than in accordance with Section 4.10) unless:

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(a) such Guarantor is the surviving Person or the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation, limited partnership or limited liability company organized or existing under the laws of the United States, any state thereof or the District of Columbia;

(b) the Person formed by or surviving any such consolidation or merger (if other than the Guarantor) or the Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Guarantor, pursuant to a supplemental indenture in form reasonably satisfactory to the Trustee, under the Notes and this Indenture; and

(c) immediately after such transaction, no Default or Event of Default exists.

Nothing contained in this Indenture shall prevent any consolidation or merger of a Guarantor with or into the Issuer or another Guarantor that is a wholly owned Restricted Subsidiary of the Issuer or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Issuer or another Guarantor that is a wholly owned Restricted Subsidiary of the Issuer. Except as set forth in Articles 4 and 5 hereof, nothing contained in this Indenture shall prevent any consolidation or merger of a Guarantor with or into the Issuer or another Guarantor that is a Restricted Subsidiary of the Issuer or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Issuer or another Guarantor that is a Restricted Subsidiary of the Issuer.

**SECTION 10.04. *Successor Corporation Substituted.***

Upon any consolidation, merger, sale or conveyance described in paragraphs (a) through (c) of Section 10.03 hereof, and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of any Guarantee previously signed by the Guarantor and the due and punctual performance of all of the covenants and conditions hereof to be performed by the Guarantor, such successor Person shall succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Guarantees to be issuable hereunder by such Guarantor and delivered to the Trustee. All the Guarantees so issued shall in all respects have the same legal rank and benefit under this Indenture as the Guarantees theretofore and thereafter issued in accordance with the terms hereof as though all of such Guarantees had been issued at the date of the execution of such Guarantee by such Guarantor. When a successor Person assumes all the obligations of the Issuer under the Notes and the Indenture pursuant to this Article 5, the applicable predecessor shall be released from the obligations so assumed.

**SECTION 10.05. *Releases from Guarantees.***

If pursuant to any direct or indirect sale of assets (including, if applicable, all of the Capital Stock of any Guarantor) or other disposition by way of merger, consolidation or otherwise, the assets sold include all or substantially all of the assets of any Guarantor or all of the Capital Stock of any such Guarantor, then such Guarantor or the Person acquiring the property (in the

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event of a sale or other disposition of all or substantially all of the assets of such a Guarantor) shall be released and relieved of its obligations under its Guarantee or Section 10.03 and Section 10.04 hereof, as the case may be; *provided* that in the event of an Asset Sale, the Net Proceeds from such sale or other disposition are applied in accordance with the provisions of Section 4.10 hereof. In addition, a Guarantor shall be released and relieved of its obligations under its Guarantee or Section 10.03 and Section 10.04 hereof, as the case may be if (1) such Guarantor is dissolved or liquidated in accordance with the provisions hereof; (2) the Issuer designates any such Guarantor as an Unrestricted Subsidiary in compliance with the terms hereof; (3) upon the transfer of such Guarantor in a transaction that (i) qualifies as a Permitted Investment or as a Restricted Payment that is not prohibited under Section 4.07 if following such transfer such Guarantor ceases to be a direct or indirect Restricted Subsidiary of the Issuer or (ii) following such transaction, such Guarantor is a Restricted Subsidiary that is not a guarantor under any Credit Facility incurred under Section 4.07(b)(2); or (4) the Issuer effectively discharges such Guarantor's obligations or defeases the Notes in compliance with the terms of Article 8 hereof. Upon delivery by the Issuer to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Issuer in accordance with the provisions hereof, including without limitation Section 4.10 hereof, if applicable, the Trustee shall execute any documents pursuant to written direction of the Issuer in order to evidence the release of any such Guarantor from its obligations under its Guarantee. Any such Guarantor not released from its obligations under its Guarantee shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of such Guarantor under this Indenture as provided in this Article 10.

## ARTICLE 11

### MISCELLANEOUS

SECTION 11.01. *Reserved.*

SECTION 11.02. *Notices.*

Any notice or communication by the Issuer, any Guarantor or the Trustee to the others is duly given if in writing and delivered by hand-delivery, registered first-class mail, next-day air courier or facsimile:

If to the Issuer or any Guarantor, to its care of:

Live Nation Entertainment, Inc.  
9348 Civic Center Drive  
Beverly Hills, CA 90210  
Facsimile No.: (310) 975-6909  
Attention: General Counsel

If to the Trustee:  
The Bank of New York Mellon Trust Company, N.A.

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700 S. Flower St., Suite 500  
Los Angeles, CA 90017  
Facsimile No.: 213-630-6298  
Attention: Corporate Unit

The Issuer, any Guarantor or the Trustee, by notice to the other, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders of Notes) shall be deemed to have been duly given: when delivered by hand, if personally delivered; five Business Days after being deposited in the mail, certified or registered, return receipt requested, postage prepaid, if mailed; one Business Day after being timely delivered to a next-day air courier; and when transmission is confirmed, if sent by facsimile.

Any notice or communication to a Holder of a Note shall be mailed by first class mail to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder of a Note or any defect in it shall not affect its sufficiency with respect to other Holders of Notes.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Issuer mails a notice or communication to Holders of Notes, it shall mail a copy to the Trustee and each Agent at the same time.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, pdf, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Trustee shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

**SECTION 11.03. *Communication by Holders of Notes with Other Holders of Notes.***

Holders of the Notes may communicate pursuant to TIA § 312(b) with other Holders of Notes with respect to their rights under this Indenture or the Notes. The Issuer, the Trustee, the Registrar and anyone else shall have the protection of TIA § 312(c).

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**SECTION 11.04. *Certificate and Opinion as to Conditions Precedent.***

Upon any request or application by the Issuer to the Trustee to take any action under this Indenture (except in connection with the original issuance of the Notes), the Issuer shall furnish to the Trustee:

- (a) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and
- (b) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

**SECTION 11.05. *Statements Required in Certificate or Opinion.***

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA § 314(a)(4)), if applicable; shall include:

- (a) a statement that the Person making such certificate or opinion has read such covenant or condition;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (c) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been satisfied; and
- (d) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

**SECTION 11.06. *Rules by Trustee and Agents.***

The Trustee may make reasonable rules for action by or at a meeting of Holders of Notes. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

**SECTION 11.07. *No Personal Liability of Directors, Owners, Employees, Incorporators and Stockholders.***

No director, owner, officer, employee, incorporator or stockholder of the Issuer, the Guarantors or any of their Affiliates, as such, shall have any liability for any obligations of the Issuer, the Guarantors or any of their Affiliates under the Notes, the Guarantees or this Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each

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Holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

**SECTION 11.08. *Governing Law.***

THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

**SECTION 11.09. *No Adverse Interpretation of Other Agreements.***

This Indenture may not be used to interpret another indenture, loan or debt agreement of the Issuer or any of its respective Subsidiaries. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

**SECTION 11.10. *Successors.***

All agreements of the Issuer and the Guarantors in this Indenture and the Notes and the Guarantees shall bind the successors of the Issuer and the Guarantors, respectively. All agreements of the Trustee in this Indenture shall bind its successor.

**SECTION 11.11. *Severability.***

In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**SECTION 11.12. *Counterpart Originals.***

This Indenture may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Indenture by telecopy or other electronic imaging means shall be as effective as delivery of a manually executed counterpart of this Indenture.

**SECTION 11.13. *Table of Contents, Headings, Etc.***

The Table of Contents, Cross-Reference Table and headings of the Articles and Sections hereof have been inserted for convenience of reference only, are not to be considered a part hereof and shall in no way modify or restrict any of the terms or provisions hereof.

**SECTION 11.14. *Force Majeure.***

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war

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or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

SECTION 11.15. *Waiver of Jury Trial.*

EACH OF THE ISSUER AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

[Signatures on following page]

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IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first above written.

LIVE NATION ENTERTAINMENT, INC.,  
as Issuer

By: /s/ Michael G. Rowles

Name: Michael Rowles

Title: Executive Vice President,  
General Counsel and Secretary

Signature Page to Indenture



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LN ACQUISITION HOLDCO LLC

By: LIVE NATION ENTERTAINMENT, INC.,  
its sole member

By: /s/ Michael G. Rowles

Name: Michael Rowles

Title: Executive Vice President, General Counsel  
and Secretary

CONNECTICUT PERFORMING ARTS PARTNERS

By: NOC, INC., a general partner

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

By: CONNECTICUT AMPHITHEATER  
DEVELOPMENT CORPORATION, a general  
partner

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

Signature Page to Indenture

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BILL GRAHAM ENTERPRISES, INC.  
CELLAR DOOR VENUES, INC.  
COBB'S COMEDY INC.  
CONNECTICUT AMPHITHEATER  
DEVELOPMENT CORPORATION  
CONNECTICUT PERFORMING ARTS, INC.  
EVENING STAR PRODUCTIONS, INC.  
EVENTINVENTORY.COM, INC.  
EVENT MERCHANDISING INC.  
FILLMORE THEATRICAL SERVICES  
FLMG HOLDINGS CORP.  
HOB MARINA CITY, INC.  
HOUSE OF BLUES SAN DIEGO, LLC  
IAC PARTNER MARKETING, INC.  
LIVE NATION HOLDCO #1, INC.  
LIVE NATION HOLDCO #2, INC.  
LIVE NATION MARKETING, INC.  
LIVE NATION MTOURS (USA), INC.  
LIVE NATION TOURING (USA), INC.  
LIVE NATION UTOURS (USA), INC.  
LIVE NATION WORLDWIDE, INC.  
MICROFLEX 2001 LLC  
NETTICKETS.COM, INC.  
NOC, INC.  
OPENSEATS, INC.  
PREMIUM INVENTORY, INC.  
SHORELINE AMPHITHEATRE, LTD.  
SHOW ME TICKETS, LLC  
THE V.I.P. TOUR COMPANY  
TICKETMASTER ADVANCE TICKETS, L.L.C.  
TICKETMASTER CALIFORNIA GIFT  
CERTIFICATES L.L.C.  
TICKETMASTER CHINA VENTURES, L.L.C.  
TICKETMASTER EDCS LLC  
TICKETMASTER FLORIDA GIFT CERTIFICATES  
L.L.C.  
TICKETMASTER GEORGIA GIFT CERTIFICATES  
L.L.C.  
TICKETMASTER-INDIANA, L.L.C.  
TICKETMASTER INDIANA HOLDINGS CORP.  
TICKETMASTER L.L.C.  
TICKETMASTER MULTIMEDIA HOLDINGS LLC  
TICKETMASTER NEW VENTURES HOLDINGS,  
INC.  
TICKETMASTER WEST VIRGINIA GIFT  
CERTIFICATES L.L.C.  
TICKETSNOW.COM, INC.  
TICKETWEB, LLC  
TM VISTA INC.  
TNA TOUR II (USA) INC.  
TNOW ENTERTAINMENT GROUP, INC.

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

Signature Page to Indenture

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ELECTRIC FACTORY CONCERTS, INC.  
HOB BOARDWALK, INC.  
HOB CHICAGO, INC.  
HOB ENTERTAINMENT, INC.  
HOUSE OF BLUES ANAHEIM RESTAURANT  
CORP.  
HOUSE OF BLUES CLEVELAND, LLC  
HOUSE OF BLUES CONCERTS, INC.  
HOUSE OF BLUES DALLAS RESTAURANT CORP.  
HOUSE OF BLUES HOUSTON RESTAURANT  
CORP.  
HOUSE OF BLUES LAS VEGAS RESTAURANT  
CORP.  
HOUSE OF BLUES LOS ANGELES RESTAURANT  
CORP.  
HOUSE OF BLUES MYRTLE BEACH  
RESTAURANT CORP.  
HOUSE OF BLUES NEW ORLEANS  
RESTAURANT CORP.  
HOUSE OF BLUES ORLANDO RESTAURANT  
CORP.  
HOUSE OF BLUES RESTAURANT HOLDING  
CORP.  
HOUSE OF BLUES SAN DIEGO RESTAURANT  
CORP.  
LIVE NATION CHICAGO, INC.  
LIVE NATION CONCERTS, INC.

By: /s/ Michael G. Rowles

Name: Michael Rowles

Title: President

LIVE NATION MERCHANDISE, INC.  
LIVE NATION TICKETING, LLC  
LIVE NATION VENTURES, INC.

By: /s/ Michael G. Rowles

Name: Michael Rowles

Title: Executive Vice President, General Counsel and  
Secretary

LIVE NATION BOGART, LLC  
LIVE NATION – HAYMON VENTURES, LLC  
LIVE NATION STUDIOS, LLC  
MICHIGAN LICENSES, LLC  
MUSICTODAY, LLC  
WILTERN RENAISSANCE LLC

By: LIVE NATION WORLDWIDE, INC.,  
its sole member

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

Signature Page to Indenture

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AZOFF PROMOTIONS LLC  
ENTERTAINERS ART GALLERY LLC  
FRONT LINE BCC LLC  
FRONT LINE MANAGEMENT GROUP, INC.  
ILAA, INC.  
ILA MANAGEMENT, INC.  
MORRIS ARTISTS MANAGEMENT LLC

By: /s/ Colin Hodgson  
Name: Colin Hodgson  
Title: Chief Financial Officer

FEA MERCHANDISE INC.  
SPALDING ENTERTAINMENT, LLC

By: /s/ Colin Hodgson  
Name: Colin Hodgson  
Title: Vice President, Secretary and Treasurer

*[Live Nation – Signature Page to Indenture]*

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THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,  
as Trustee

By: /s/ Alex Briffett

Name: John A. (Alex) Briffett

Title: Authorized Signatory

*[Live Nation – Signature Page to Indenture]*

[Face of Note]  
8.125% Senior Note due 2018

Cert. No.  
CUSIP No.

Live Nation Entertainment, Inc.  
promises to pay to [\_\_\_\_\_] ]  
or its registered assigns  
the principal sum of \_\_\_\_\_  
Dollars on May 15, 2018

Interest Payment Dates: May 15 and November 15, commencing November 15, 2010.

Record Dates: May 1 and November 1 (whether or not a Business Day).

IN WITNESS WHEREOF, the Issuer has caused this Note to be duly executed.

Dated:

LIVE NATION ENTERTAINMENT, INC.

By: \_\_\_\_\_  
Name:  
Title:

This is one of the Notes referred to in the  
within-mentioned Indenture:

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

By: \_\_\_\_\_  
Authorized Signatory

Dated: \_\_\_\_\_

Capitalized terms used herein have the meanings assigned to them in the Indenture (as defined below) unless otherwise indicated.

(1) *Interest.* Live Nation Entertainment, Inc., a Delaware Corporation (the “*Issuer*”) promises to pay interest on the principal amount of this Note at the rate and in the manner specified below. Interest will accrue at 8.125% per annum and will be payable semi-annually in cash on each May 15 and November 15, commencing November 15, 2010, or if any such day is not a Business Day on the next succeeding Business Day (each, an “*Interest Payment Date*”) to Holders of record of the Notes at the close of business on the immediately preceding May 1 and November 1, whether or not a Business Day. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Interest shall accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of original issuance. To the extent lawful, the Issuer shall pay interest on overdue principal at the rate of the then applicable interest rate on the Notes; it shall pay interest on overdue installments of interest (without regard to any applicable grace periods) at the same rate to the extent lawful.

(2) *Method of Payment.* The Issuer shall pay interest on the Notes (except defaulted interest) to the Persons who are registered Holders of Notes at the close of business on the record date next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date. The Holder hereof must surrender this Note to a Paying Agent to collect principal payments. The Issuer will pay principal and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. The Notes will be payable both as to principal and interest at the office or agency of the Issuer maintained for such purpose or, at the option of the Issuer, payment of interest may be made by check mailed to the Holders of Notes at their respective addresses set forth in the register of Holders of Notes. Unless otherwise designated by the Issuer, the Issuer’s office or agency will be the office of the Trustee maintained for such purpose.

(3) *Paying Agent and Registrar.* Initially, the Trustee will act as Paying Agent and Registrar. The Issuer may change any Paying Agent, Registrar or co-registrar without prior notice to any Holder of a Note. The Issuer may act in any such capacity.

(4) *Indenture.* The Issuer issued the Notes under an Indenture, dated as of May 6, 2010 (the “*Indenture*”), among the Issuer, the Guarantors and the Trustee. This is one of an issue of Notes of the Issuer issued, or to be issued, under the Indenture. The Issuer shall be entitled to issue additional Notes pursuant to Section 2.02 of the Indenture. All Notes issued under the Indenture shall be treated as a single class of Notes under the Indenture. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code §§ 77aaa-77bbb), as in effect on the date of the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and such act for a statement of such terms. The terms of the Indenture shall govern any inconsistencies between the Indenture and the Notes. The Notes are senior unsecured obligations of the Issuer.

(5) *Optional Redemption.* (a) Except as provided in paragraphs (b) and (c) below, the Notes will not be redeemable at the Issuer's option prior to May 15, 2014. Thereafter, the Notes will be subject to redemption at the option of the Issuer, in whole or in part, upon not less than 30 days' or more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, together with accrued and unpaid interest thereon to the applicable redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), if redeemed during the 12-month period beginning on May 15 of the years indicated below:

<u>Year</u>	<u>Percentage</u>
2014	104.063%
2015	102.031%
2016 and thereafter	100.000%

(b) Notwithstanding the foregoing, at any time and from time to time prior to May 15, 2013, the Issuer may redeem up to 35% of the aggregate principal amount of the Notes outstanding at a redemption price equal to 108.125% of the principal amount thereof on the repurchase date, together with accrued and unpaid interest to such redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), with the net cash proceeds of one or more public or private sales of Qualified Capital Stock, other than proceeds from a sale to the Issuer or any of its Subsidiaries or any employee benefit plan in which the Issuer or any of its Subsidiaries participates; *provided* that (i) at least 65% in aggregate principal amount of the Notes originally issued remain outstanding immediately after the occurrence of such redemption and (ii) such redemption occurs no later than the 120th day following such sale of Qualified Capital Stock.

(c) In addition, at any time and from time to time prior to May 15, 2014, the Issuer may redeem all or any portion of the Notes outstanding at a redemption price equal to (i) 100% of the aggregate principal amount of the Notes to be redeemed, together with accrued and unpaid interest to such redemption date (subject to the rights of Holders of record of the Notes on the relevant record date to receive payments of interest on the related interest payment date), plus (ii) the Make Whole Amount.

*"Make Whole Amount"* means, with respect to any Note at any redemption date, the greater of (i) 1.0% of the principal amount of such Note and (ii) the excess, if any, of (A) an amount equal to the present value of (1) the redemption price of such Note at May 15, 2014 plus (2) the remaining scheduled interest payments on the Notes to be redeemed (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date) to May 15, 2014 (other than interest accrued to the redemption date), computed using a discount rate equal to the Treasury Rate plus 50 basis points over (B) the principal amount of the Notes to be redeemed.

*"Treasury Rate"* means, at the time of computation, the yield to maturity of United States Treasury Securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) which has become publicly available at least two Business Days prior to the redemption date or, if such Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the period from the



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redemption date to May 15, 2014; *provided, however*, that if the period from the redemption date to May 15, 2014 is not equal to the constant maturity of a United States Treasury Security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury Securities for which such yields are given, except that if the period from the redemption date to May 15, 2014 is less than one year, the weekly average yield on actually traded United States Treasury Securities adjusted to a constant maturity of one year shall be used.

(6) *Repurchase at Option of Holder.* Upon the occurrence of a Change of Control, the Issuer shall make an offer to each Holder of Notes to repurchase on the Change of Control Payment Date all or any part of such Holder's Notes (equal to \$1,000 or an integral multiple thereof) at a purchase price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest thereon to the date of repurchase (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date). Holders of Notes that are subject to an offer to purchase will receive a Change of Control Offer from the Issuer prior to any related Change of Control Payment Date and may elect to have such Notes purchased by completing the form entitled "Option of Holder To Elect Purchase" appearing below.

When the cumulative amount of Excess Proceeds that have not been applied in accordance with Section 4.10 of the Indenture exceeds \$25.0 million, the Issuer shall make an offer to all Holders of the Notes (an "*Excess Proceeds Offer*") to purchase the maximum principal amount of Notes that may be purchased out of such Excess Proceeds at an offer price in cash in an amount equal to 100% of the principal amount thereof, together with accrued and unpaid interest to the date fixed for the closing of such offer in accordance with the procedures set forth in the Indenture. To the extent the Issuer or a Restricted Subsidiary is required under the terms of Indebtedness of the Issuer or such Restricted Subsidiary (other than Subordinated Indebtedness), the Issuer shall also make a *pro rata* offer to the holders of such Indebtedness (including the Notes) with such proceeds. If the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by holders thereof exceeds the amount of such Excess Proceeds, the Trustee shall select the Notes and other *pari passu* Indebtedness to be purchased on a *pro rata* basis. To the extent that the principal amount of Notes tendered pursuant to an Excess Proceeds Offer is less than the amount of such Excess Proceeds, the Issuer may use any remaining Excess Proceeds for general corporate purposes in compliance with the provisions of the Indenture. Upon completion of an Excess Proceeds Offer, the amount of Excess Proceeds shall be reset at zero. Holders of Notes that are subject to an offer to purchase will receive a Excess Proceeds Offer from the Issuer prior to any related Purchase Date and may elect to have such Notes purchased by completing the form entitled "Option of Holder To Elect Purchase" appearing below.

(7) *Notice of Redemption.* Notice of redemption shall be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes may be redeemed in part but only in amounts of \$2,000 or whole multiples of \$1,000 that are equal to or in excess of \$2,000, unless all of the Notes held by a Holder of Notes are to be redeemed. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption unless the Issuer fails to redeem such Notes or such portions thereof.

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(8) *Suspension of Covenants.* During any period of time after the Issue Date that (i) the Notes are rated Investment Grade by both Rating Agencies and (ii) no Default has occurred and is continuing under the Indenture, the Issuer and its Restricted Subsidiaries will not be subject to Sections 3.08 (Excess Proceeds Offer), 4.07 (Limitation on Restricted Payments), 4.08 (Limitation on Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries), 4.09 (Limitation on Incurrence of Indebtedness), 4.10 (Limitation on Asset Sales), 4.11 (Limitation on Transactions with Affiliates) and clause (d) of the first paragraph of Section 5.01 (Merger, Consolidation or Sale of Assets).

(9) *Denominations, Transfer, Exchange.* The Notes are in registered form without coupons in denominations of \$2,000 and integral multiples of \$1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder of a Note, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not exchange or register the transfer of any Note or portion of a Note selected for redemption. Also, it need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed.

(10) *Persons Deemed Owners.* Prior to due presentment to the Trustee for registration of the transfer of this Note, the Trustee, any Agent and the Issuer may deem and treat the Person in whose name this Note is registered as its absolute owner for the purpose of receiving payment of principal of, premium, if any, and interest on this Note and for all other purposes whatsoever, whether or not this Note is overdue, and neither the Trustee, any Agent nor the Issuer shall be affected by notice to the contrary. The registered Holder of a Note shall be treated as its owner for all purposes.

(11) *Amendments, Supplement and Waivers.* Subject to certain exceptions, the Indenture, the Notes and the Guarantees or any amended or supplemental indenture may be amended or supplemented with the written consent of the Holders of at least a majority of the aggregate principal amount of Notes then outstanding (including consents obtained in connection with an exchange offer or tender offer for the Notes), and any existing Default and its consequences or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority of the aggregate principal amount of Notes then outstanding (including consents obtained in connection with an exchange offer or tender offer for the Notes). Notwithstanding the foregoing, without the consent of each Holder affected, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder of Notes) (a) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver; (b) reduce the principal of or change the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than as provided in clause (h) below); (c) reduce the rate of or change the time for payment of interest on any Note; (d) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration); (e) make any Note payable in money other than that stated in the Notes; (f) make any change in the provisions of the Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of or interest on the Notes; (g) waive a redemption payment or mandatory redemption with respect to any Note (other than as provided

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in clause (h) below); (h) amend, change or modify in any material respect the obligation of the Issuer to make and consummate a Change of Control Offer in the event of a Change of Control after such Change of Control has occurred; (i) release all or substantially all of the Guarantees of the Guarantors other than in accordance with Article 10 of the Indenture; or (j) make any change in the foregoing amendment and waiver provisions. Notwithstanding the foregoing, without the consent of any Holder of a Note, the Indenture, the Notes, the Guarantees, or any amended or supplemental indenture may be amended or supplemented: to cure any ambiguity, defect or inconsistency; to provide for uncertificated Notes or Guarantees in addition to or in place of certificated Notes or Guarantees; to provide for the assumption of the obligations of the Issuer or any Guarantor to the Holders of the Notes in the case of a merger or consolidation pursuant to Article 5 or Article 10 of the Indenture; to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the rights under the Indenture of any Holder of the Notes; to provide for the issuance of additional Notes in accordance with the provisions set forth in the Indenture; to evidence and provide for the acceptance of an appointment of a successor Trustee; to add Guarantees with respect to the Notes; to conform the Indenture or the Notes to the "Description of notes" section in the Offering Memorandum; or to comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

(12) *Defaults and Remedies*. Each of the following constitutes an Event of Default:

(a) default for 30 days in the payment when due of interest or additional interest, if any, on the Notes;

(b) default in payment when due of principal of or premium, if any, on the Notes at maturity, upon repurchase, redemption or otherwise;

(c) failure to comply for 30 days after notice with any obligations under the provisions described under Sections 3.08, 4.10, 4.15 and 5.01 of the Indenture (other than a failure to purchase Notes duly tendered to the Issuer for repurchase pursuant to a Change of Control Offer or an Excess Proceeds Offer);

(d) subject to the last paragraph of Section 6.02 of the Indenture, default under any other provision of the Indenture or the Notes, which default remains uncured for 60 days after notice from the Trustee or the Holders of at least 25% of the aggregate principal amount then outstanding of the Notes;

(e) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer and any of the Restricted Subsidiaries), which default is caused by a failure to pay the principal of such Indebtedness at the final stated maturity thereof within the grace period provided in such Indebtedness (a "*Payment Default*"), and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default, aggregates \$50.0 million or more;

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(f) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Issuer and any of the Restricted Subsidiaries (or the payment of which is guaranteed by the Issuer or any of its Restricted Subsidiaries), which default results in the acceleration of such Indebtedness prior to its express maturity not rescinded or cured within 30 days after such acceleration, and the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated and remains undischarged after such 30 day period, aggregates \$50.0 million or more;

(g) failure by the Issuer and any of the Restricted Subsidiaries to pay final judgments (other than any judgment as to which a reputable insurance company has accepted full liability) aggregating \$50.0 million or more, which judgments are not stayed within 60 days after their entry;

(h) any Guarantee of a Significant Subsidiary shall be held in a judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect, or any Guarantor that qualifies as a Significant Subsidiary, or any person acting on behalf of any Guarantor that qualifies as a Significant Subsidiary, shall deny or disaffirm its obligations under its Guarantee;

(i) the Issuer or any Significant Subsidiary of the Issuer pursuant to or within the meaning of Bankruptcy Law (i) commences a voluntary case; (ii) consents to the entry of an order for relief against it in an involuntary case; (iii) consents to the appointment of a custodian of it or for all or substantially all of its property; or (iv) makes a general assignment for the benefit of its creditors; and

(j) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that: (i) is for relief against the Issuer or any Significant Subsidiary of the Issuer in an involuntary case; (ii) appoints a custodian of the Issuer or any Significant Subsidiary of the Issuer or for all or substantially all of the property of the Issuer or any Significant Subsidiary of the Issuer; or (iii) orders the liquidation of the Issuer or any Significant Subsidiary of the Issuer, and the order or decree remains unstayed and in effect for 60 consecutive days.

If any Event of Default occurs and is continuing, the Trustee by notice to the Issuer or the Holders of at least 25% of the aggregate principal amount then outstanding of the Notes by written notice to the Issuer and the Trustee, may declare all the Notes to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default specified in paragraph (i) or (j) of Section 6.01 of the Indenture, all outstanding Notes shall become and shall be immediately due and payable without further action or notice. Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in such Holders' interest.

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Any failure to perform under, or breach of, Section 4.03 of the Indenture shall not be a Default or an Event of Default until the 121st day after the Issuer has received the notice referred to in clause (d) of Section 6.01 of the Indenture (at which point, unless cured or waived, such failure to perform or breach shall constitute an Event of Default). Prior to such 121st day, remedies against the Issuer for any such failure or breach will be limited to additional interest at a rate per year equal to 0.25% of the principal amount of such Notes from the 60th day following such notice to and including the 121st day following such notice.

The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may on behalf of all the Holders rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest or premium that has become due solely because of the acceleration) have been cured or waived. The Holders of a majority in aggregate principal amount of the then outstanding Notes, by written notice to the Trustee, may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture, except a continuing Default or Event of Default in the payment of interest or premium on, or principal of, the Notes.

The Issuer is required to deliver to the Trustee annually a statement regarding compliance with the Indenture.

(13) *Trustee Dealings with Issuer.* The Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledges of the Notes and may otherwise deal with the Issuer or any Affiliate of the Issuer with the same rights if would have had if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue as Trustee (if any of the Notes are registered pursuant to the Securities Act), or resign.

(14) *No Personal Liability of Directors, Owners, Employees, Incorporators and Stockholders.* No director, owner, officer, employee, incorporator or stockholder of the Issuer, the Guarantors or any of their Affiliates, as such, shall have any liability for any obligations of the Issuer, the Guarantors or any of their Affiliates under this Note, the Guarantees or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

(15) *Guarantees.* Payment of principal and interest (including interest on overdue principal and overdue interest, if lawful) is unconditionally guaranteed, jointly and severally, by each of the Guarantors.

(16) *Authentication.* This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

(17) *Abbreviations.* Customary abbreviations may be used in the name of a Holder of a Note or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

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(18) *CUSIP Numbers*. Pursuant to a recommendation promulgated by the Committee on Uniform Note Identification Procedures, the Issuer has caused CUSIP numbers to be printed on the Notes and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Holders of Notes. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed herein.

The Issuer will furnish to any Holder of a Note upon written request and without charge a copy of the Indenture. Requests may be made to:

Live Nation Entertainment, Inc.  
9348 Civic Center Drive  
Beverly Hills, CA 90210  
Facsimile No.: (310) 975-6909  
Attention: General Counsel

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ASSIGNMENT FORM

To assign this Note, fill in the form below: (I) or (we) assign and transfer this Note to

(Insert assignee's Soc. Sec. or tax I.D. no.)

(Print or type assignee's name, address and Zip code)

and irrevocably appoint \_\_\_\_\_ as agent to transfer this Note on the books of the Issuer. The agent may substitute another to act for him or her.

Date: \_\_\_\_\_

Your Signature: \_\_\_\_\_  
(Sign exactly as your name appears  
on the face of this Note)

Signature Guarantee.

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OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have all or any part of this Note purchased by the Issuer pursuant to Section 3.08 (Excess Proceeds Offer) or Section 4.15 (Change of Control) of the Indenture, check the appropriate box:

Section 3.08       Section 4.15

If you want to have only part of the Note purchased by the Issuer pursuant to Section 3.08 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

\$

Date: \_\_\_\_\_

Your Signature: \_\_\_\_\_  
(Sign exactly as your name appears  
on the face of this Note)

Signature Guarantee.



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[ATTACHMENT FOR GLOBAL NOTES]

SCHEDULE OF EXCHANGES OF INTERESTS IN GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

<u>Date of Exchange</u>	<u>Amount of Decrease in Principal Amount of this Global Note</u>	<u>Amount of Increase Principal Amount of this Global Note</u>	<u>Principal Amount of this Global Note following such Decrease (or Increase)</u>	<u>Signature of Authorized Officer of Trustee or Note Custodian</u>
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FORM OF GUARANTEE

[Name of Guarantor] and its successors under the Indenture, jointly and severally with any other Guarantors, hereby irrevocably and unconditionally (i) guarantee the due and punctual payment of the principal of, premium, if any, and interest on the Notes, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on the overdue principal of and interest, if any, on the Notes, to the extent lawful, and the due and punctual performance of all other obligations of Live Nation Entertainment, Inc. (the "Issuer") to the Holders or the Trustee all in accordance with the terms set forth in Article 10 of the Indenture and (ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, guarantee that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Capitalized terms used herein have the meanings assigned to them in the Indenture unless otherwise indicated.

No director, owner, officer, employee, incorporator or stockholder of any Guarantor or any of its Affiliates, as such, shall have any liability for any obligations of such Guarantor or any of its Affiliates under this guarantee by reason of his, her or its status as such. This Guarantee shall be binding upon each Guarantor and its successors and assigns and shall inure to the benefit of the successors and assigns of the Trustee and the Holders and, in the event of any transfer or assignment of rights by any Holder or the Trustee, the rights and privileges herein conferred upon that party shall automatically extend to and be vested in such transferee or assignee, all subject to the terms and conditions hereof.

This Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Note upon which this Guarantee is noted shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized officers.

THE TERMS OF ARTICLE 10 OF THE INDENTURE ARE INCORPORATED HEREIN BY REFERENCE.

This Guarantee shall be governed by and construed in accordance with the laws of the State of New York.

[\_\_\_\_\_]
Name of Guarantor

By: \_\_\_\_\_
Name:
Title:

## [FORM OF CERTIFICATE OF TRANSFER]

Live Nation Entertainment, Inc.  
9348 Civic Center Drive  
Beverly Hills, CA 90210  
Facsimile No.: (310) 975-6909  
Attention: General Counsel

The Bank of New York Mellon Trust Company, N.A.  
700 S. Flower St., Suite 500  
Los Angeles, CA 90017  
Attn: Corporate Unit

Re: 8.125% Senior Notes due 2018

Reference is hereby made to the Indenture, dated as of May 6, 2010 (the "*Indenture*"), among Live Nation Entertainment, Inc., as Issuer (the "*Issuer*"), the Guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

\_\_\_\_\_ (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of \$\_\_\_\_\_ in such Note[s] or interests (the "*Transfer*"), to \_\_\_\_\_ (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1.  **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Definitive Note Pursuant to Rule 144A.** The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

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2.  **Check if Transferee will take delivery of a beneficial interest in the Regulation S Global Note or a Definitive Note pursuant to Regulation S.** The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Definitive Note and in the Indenture and the Securities Act.
3.  **Check and complete if Transferee will take delivery of a beneficial interest in a Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S.** The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):
- (a)  such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;
- or
- (b)  or such Transfer is being effected to the Issuer or a subsidiary thereof;
4.  **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note.**
- (a)  **Check if Transfer is Pursuant to Rule 144.** (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities

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laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

- (b)  **Check if Transfer is Pursuant to Regulation S.** (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.
- (c)  **Check if Transfer is Pursuant to Other Exemption.** (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

---

[Insert Name of Transferor]

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By: \_\_\_\_\_  
Name:  
Title:

Dated: \_\_\_\_\_

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ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a)  a beneficial interest in the:

(i)  144A Global Note (CUSIP [            ]), or

(ii)  Regulation S Global Note (CUSIP [            ]), or

(b)  a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a)  a beneficial interest in the:

(i)  144A Global Note (CUSIP [            ]), or

(ii)  Regulation S Global Note (CUSIP [            ]), or

(iii)  Unrestricted Global Note CUSIP [            ], or

(b)  a Restricted Definitive Note; or

(c)  an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

## [FORM OF CERTIFICATE OF EXCHANGE]

Live Nation Entertainment, Inc.  
9348 Civic Center Drive  
Beverly Hills, CA 90210  
Facsimile No.: (310) 975-6909  
Attention: General Counsel

The Bank of New York Mellon Trust Company, N.A.  
700 S. Flower St., Suite 500  
Los Angeles, CA 90017  
Attn: Corporate Unit

Re: 8.125% Senior Notes due 2018

(CUSIP [        ])

Reference is hereby made to the Indenture, dated as of May 6, 2010 (the “*Indenture*”), among Live Nation Entertainment, Inc., as Issuer (the “*Issuer*”), the Guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

\_\_\_\_\_ (the “*Owner*”) owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of \$\_\_\_\_\_ in such Note[s] or interests (the “*Exchange*”). In connection with the Exchange, the Owner hereby certifies that:

**1. Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note.**

(a)  **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note.** In connection with the Exchange of the Owner’s beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the United States Securities Act of 1933, as amended (the “*Securities Act*”), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b)  **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note.** In connection with the Exchange of the Owner’s beneficial



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interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c)  **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d)  **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note**. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

**2. Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes.**

(a)  **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note**. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b)  **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note**. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] \_ 144A Global Note, \_ Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest

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is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

---

[Insert Name of Transferor]

By: \_\_\_\_\_  
Name:  
Title:

Dated: \_\_\_\_\_

**CREDIT AGREEMENT**

dated as of May 6, 2010

among

**LIVE NATION ENTERTAINMENT, INC.,**  
as Parent Borrower,

**CERTAIN FOREIGN SUBSIDIARIES OF THE PARENT BORROWER,**  
as Foreign Borrowers,

**CERTAIN SUBSIDIARIES OF THE BORROWER,**  
as Guarantors,

**THE LENDERS PARTY HERETO,**

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

**JPMORGAN CHASE BANK, N.A., TORONTO BRANCH,**  
as Canadian Agent,

**J.P. MORGAN EUROPE LIMITED,**  
as London Agent,

**GOLDMAN SACHS LENDING PARTNERS LLC**  
and  
**DEUTSCHE BANK TRUST COMPANY AMERICAS,**  
as Co-Syndication Agents,

**BANK OF AMERICA, N.A.,**  
**THE BANK OF NOVA SCOTIA,**  
**THE ROYAL BANK OF SCOTLAND PLC**  
and  
**WELLS FARGO BANK, NATIONAL ASSOCIATION**  
as Co-Documentation Agents,

**J.P. MORGAN SECURITIES INC.,**  
**GOLDMAN SACHS LENDING PARTNERS LLC**  
and  
**DEUTSCHE BANK SECURITIES INC.,**  
as Joint Lead Arrangers,

and

**J.P. MORGAN SECURITIES INC.,**  
**GOLDMAN SACHS LENDING PARTNERS LLC,**  
and  
**DEUTSCHE BANK SECURITIES INC.**  
as Joint Bookrunners

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## CREDIT AGREEMENT

This CREDIT AGREEMENT (this "Credit Agreement") is entered into as of May 6, 2010, among LIVE NATION ENTERTAINMENT, INC., a Delaware corporation (the "Parent Borrower"), the Foreign Borrowers party hereto from time to time (together with the Parent Borrower, the "Borrowers"), the Guarantors identified herein, the Lenders party hereto, JPMORGAN CHASE BANK, N.A., as Administrative Agent and Collateral Agent, JPMORGAN CHASE BANK, N.A., TORONTO BRANCH, as Canadian Agent and J.P. MORGAN EUROPE LIMITED, as London Agent.

### WITNESSETH

WHEREAS, the Borrowers and the Guarantors have requested that the Lenders provide revolving credit and term loan facilities for the purposes set forth herein; and

WHEREAS, the Lenders have agreed to make the requested facilities available on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of these premises and the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

### ARTICLE I

#### DEFINITIONS AND ACCOUNTING TERMS

##### 1.01 Defined Terms.

As used in this Credit Agreement, the following terms have the meanings provided below:

"Academy Music Group" means AMG and its Subsidiaries.

"Acquisition" means the purchase or acquisition (whether in one or a series of related transactions) by any Person of (a) more than fifty percent (50%) of the Capital Stock with ordinary voting power of another Person or (b) all or substantially all of the property (other than Capital Stock) of another Person or division or line of business or business unit of another Person, whether or not involving a merger or consolidation with such Person.

"Adjusted Eurodollar Rate" means, with respect to any Borrowing of Eurodollar Rate Loans for any Interest Period, (a) an interest rate per annum (rounded upward, if necessary, to the nearest 1/100th of 1%) determined by the Applicable Agent to be equal to the Eurodollar Rate for such Borrowing of Eurodollar Rate Loans in effect for such Interest Period divided by (b) 1 minus the Statutory Reserves (if any) for such Borrowing of Eurodollar Rate Loans for such Interest Period.

"Administrative Agent" means JPMCB in its capacity as administrative agent for the Lenders under any of the Credit Documents, or any successor administrative agent.

"Administrative Agent Fee Letter" means that certain administrative agent fee letter dated as of the Closing Date among the Parent Borrower and JPMCB.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02, or such other address or account as the Administrative Agent may from time to time notify the Parent Borrower and the Lenders.

"Administrative Questionnaire" means an administrative questionnaire for the Lenders in a form supplied by the Administrative Agent.

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“Affiliate” means, with respect to any 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” means any of the Administrative Agent, the Canadian Agent, the London Agent or the Collateral Agent.

“Aggregate Commitments” means the aggregate principal amount of the Revolving Commitments, Term A Loan Commitments and Term B Loan Commitments.

“Aggregate Dollar Revolving Commitments” means the Dollar Revolving Commitments of all the Lenders.

“Aggregate Dollar Revolving Committed Amount” has the meaning provided in Section 2.01(a)(i).

“Aggregate Limited Currency Revolving Commitments” means the Limited Currency Revolving Commitments of all the Lenders.

“Aggregate Limited Currency Revolving Committed Amount” has the meaning provided in Section 2.01(a)(ii).

“Aggregate Multicurrency Revolving Commitments” means the Multicurrency Revolving Commitments of all Lenders.

“Aggregate Multicurrency Revolving Committed Amount” has the meaning provided in Section 2.01(a)(iii).

“Aggregate Revolving Commitment Percentage” means, as to each Revolving Lender at any time, a fraction (expressed as a percentage carried to the ninth decimal place), the numerator of which is such Revolving Lender’s Revolving Committed Amount at such time and the denominator of which is the Aggregate Revolving Committed Amount at such time.

“Aggregate Revolving Commitments” means the sum of the Revolving Commitments of all Revolving Lenders.

“Aggregate Revolving Committed Amount” means the collective reference to the Aggregate Dollar Revolving Committed Amount, the Aggregate Limited Currency Revolving Committed Amount and the Aggregate Multicurrency Revolving Committed Amount.

“Alternative Currency” means each of Euros, Canadian Dollars, Sterling, Swedish Krona, Australian Dollars, Japanese Yen and Swiss Francs and any other currency added as an “Alternative Currency” pursuant to Section 1.07 hereof.

“Alternative Currency L/C Obligations” means any L/C Obligations arising from an Alternative Currency Letter of Credit.

“Alternative Currency L/C Sublimit” means \$25.0 million.

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

“Alternative Currency Sublimit” means \$100.0 million.

“AMG” means Academy Music Holdings Ltd., a company incorporated in England and Wales.

“AMG Indebtedness” means Indebtedness of any Person comprising part of the Academy Music Group in an aggregate amount not exceeding the US Dollar Equivalent of £40,000,000 at any time outstanding.

“Applicable Agent” means (a) with respect to a Loan denominated in Dollars or a Letter of Credit denominated in any Approved Currency, or with respect to any payment that does not relate to any Loan, Borrowing or Letter of Credit, the Administrative Agent, (b) with respect to a Loan denominated in Canadian Dollars or a B/A, the Canadian Agent and (c) with respect to a Loan denominated in any other Alternative Currency, the London Agent.

“Applicable Agent’s Office” means such Applicable Agent’s address and, as appropriate, account as set forth on Schedule 11.02, or such other address or account as such Applicable Agent may from time to time notify the Parent Borrower and the Lenders.

“Applicable Disposition Amount” means \$300.0 million increased by \$50.0 million on each January 1 beginning on January 1, 2011 minus the aggregate amount (measured at the fair market value thereof) of all Property Disposed of pursuant to Section 8.05 (other than Dispositions of Designated Assets) from and after the Closing Date.

“Applicable Percentage” means (i) with respect to Revolving Loans, Swingline Loans, B/A Drawings, Letter of Credit Fees and Term A Loans, the percentages per annum in the first table below and (ii) with respect to Term B Loans, the following percentages per annum in the second table below:

**APPLICABLE PERCENTAGES FOR REVOLVING LOANS, SWINGLINE LOANS,  
B/A DRAWINGS, LETTER OF CREDIT FEES AND TERM A LOANS**

<u>Pricing Level</u>	<u>Consolidated Total Leverage Ratio</u>	<u>Eurodollar Rate Loans, B/A Drawings and Letter of Credit Fees</u>	<u>Base Rate Loans</u>
I	< 1.50:1.00	2.00%	1.00%
II	≥ 1.50 but < 2.00:1.00	2.25%	1.25%
III	≥ 2.00 but < 2.50:1.00	2.50%	1.50%
IV	≥ 2.50 but < 3.00:1.00	2.75%	1.75%
V	≥ 3.00:1.00	3.00%	2.00%

**APPLICABLE PERCENTAGES FOR TERM B LOANS**

<u>Pricing Level</u>	<u>Consolidated Total Leverage Ratio</u>	<u>Eurodollar Rate Loans</u>	<u>Base Rate Loans</u>
I	< 2.75:1.00	2.75%	1.75%
II	≥ 2.75:1.00	3.00%	2.00%

Applicable Percentages for Revolving Loans, Swingline Loans, B/A Drawings, Letter of Credit Fees, Term A Loans and Term B Loans will be based on the Consolidated Total Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 7.02(b). Any increase or decrease in such Applicable Percentage resulting from a change in the Consolidated Total Leverage Ratio shall become effective on the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.02(b); provided, however, that if (i) a Compliance Certificate is not delivered when due in accordance therewith or (ii) an Event of Default pursuant to Section 9.01(a), (f) or (h) has occurred and is continuing, then, (x)

with respect to Revolving Loans, Swingline Loans, B/A Drawings, Letter of Credit Fees and Term A Loans, in the case of clause (i), pricing level V shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered until the first Business Day immediately following delivery thereof, and in the case of clause (ii) pricing level V shall apply as of the first Business Day after the occurrence of such Event of Default until the first Business Day immediately following the cure or waiver of such Event of Default and (y) with respect to Term B Loans, in the case of clause (i), pricing level II shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered until the first Business Day immediately following delivery thereof, and in the case of clause (ii) pricing level II shall apply as of the first Business Day after the occurrence of such Event of Default until the first Business Day immediately following the cure or waiver of such Event of Default. The Applicable Percentage in effect from the Closing Date through the date for delivery of the Compliance Certificate for the first full fiscal quarter ending after the Closing Date shall be determined based upon (x) pricing level V for Revolving Loans, Swingline Loans, B/A Drawings, Letter of Credit Fees and Term A Loans and (y) pricing level II for Term B Loans.

Determinations by the Applicable Agent of the appropriate pricing level shall be conclusive absent manifest error.

In the event that any financial statement or Compliance Certificate delivered pursuant to Section 7.01 or 7.02 is shown to be inaccurate (regardless of whether this Credit Agreement or the Commitments are in effect or any Loans are outstanding when such inaccuracy is discovered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Percentage for any period (an “Applicable Period”) than the Applicable Percentage applied for such Applicable Period, and only in such case, then the Parent Borrower shall immediately (i) deliver to the Administrative Agent a corrected Compliance Certificate for such Applicable Period, (ii) determine the Applicable Percentage for such Applicable Period based upon the corrected Compliance Certificate, and (iii) immediately pay to the Applicable Agent the accrued additional interest owing as a result of such increased Applicable Percentage for such Applicable Period, which payment shall be promptly applied by the Applicable Agent in accordance with Section 2.11. The rights of the Applicable Agent and Lenders pursuant to this paragraph are in addition to rights of the Applicable Agent and Lenders with respect to Sections 2.08(b) and 9.02 and other of their respective rights under the Credit Documents.

“Applicable Period” has the meaning assigned to such term in the definition of Applicable Percentage.

“Applicable Time” means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Applicable Agent or the applicable L/C Issuer, as applicable, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

“Approved Currency” means each of Dollars and each Alternative Currency.

“Approved Fund” means any Fund that is administered, managed or underwritten by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06) and accepted by the Administrative Agent and, if required by Section 11.06, the Parent Borrower, in substantially the form of Exhibit 11.06 or any other form approved by the Administrative Agent.

“Attributable Principal Amount” means (a) in the case of capital leases, the amount of capital lease obligations determined in accordance with GAAP, (b) in the case of Synthetic Leases, an amount determined by capitalization of the remaining lease payments thereunder as if it were a capital lease determined in accordance with GAAP, and (c) in the case of Sale and Leaseback Transactions, the present value (discounted in accordance with GAAP at the debt rate implied in the applicable lease) of the obligations of the lessee for rental payments during the term of such lease).

“Australian Dollars” or “AUS\$” means the lawful currency of Australia.

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“Auto-Extension Letter of Credit” has the meaning provided in Section 2.03(b)(iii).

“Azoff Promissory Note” means the promissory note, dated January 25, 2010, issued by the Parent Borrower (as successor to Ticketmaster) to the Azoff Family Trust of 1997, dated May 27, 2007.

“B/A” means a bill of exchange, including a depository bill issued in accordance with the Depository Bills and Notes Act (Canada), denominated in Canadian Dollars, drawn by a Canadian Borrower and accepted by a Multicurrency Revolving Lender in accordance with the terms of this Credit Agreement.

“B/A Drawing” means B/As accepted and purchased on the same date and as to which a single Contract Period is in effect, including any B/A Equivalent Loans accepted and purchased on the same date and as to which a single Contract Period is in effect. For greater certainty, all provisions of this Credit Agreement which are applicable to B/As are also applicable, *mutatis mutandis*, to B/A Equivalent Loans.

“B/A Equivalent Loan” has the meaning set forth in Section 2.15(k).

“B/A Fees” has the meaning provided in Section 2.09(c).

“B/A Obligations” means all reimbursement obligations of the Canadian Borrowers in respect of B/As accepted hereunder.

“Base Rate” means (i) in the case of Loans denominated in Dollars, for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus  $\frac{1}{2}$  of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by JPMCB as its “prime rate” in effect at its principal office in New York City and (c) the applicable Eurodollar Rate for a one month Interest Period beginning on such day plus 1% and (ii) in the case of Loans denominated in Canadian Dollars, the greater of (a) the rate of interest publicly announced from time to time by the Canadian Agent as its “prime” reference rate in effect on such day at its principal office in Toronto for determining interest rates applicable to commercial loans denominated in Canadian Dollars in Canada (each change in such reference rate being effective from and including the date such change is publicly announced as being effective) and (b) the interest rate per annum equal to the sum of (x) the CDOR Rate on such day (or, if such rate is not so reported on the Reuters Screen CDOR Page, the average of the rate quotes for bankers’ acceptances denominated in Canadian Dollars with a term of 30 days received by the Canadian Agent at approximately 10:00 a.m., Toronto time, on such day (or, if such day is not a Business Day, on the next preceding Business Day) from one or more banks of recognized standing selected by it) and (y) 0.50% per annum; provided that for purposes of the Term B Loans only, if the Base Rate determined in accordance with the foregoing clause (i) would be less than 2.50% per annum, then the applicable Base Rate for such date shall be 2.50% per annum. The “prime rate” is a rate set by JPMCB or the Canadian Agent, as applicable based upon various factors including its costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by JPMCB or the Canadian Agent shall take effect at the opening of business on the day specified in the public announcement of such change.

“Base Rate Loan” means a Loan that bears interest based on the Base Rate.

“BCV” means Broadway China Ventures, LLC.

“Borrower Obligations” means, without duplication, (a) all advances to, and debts, liabilities, obligations, covenants and duties of, any Borrower arising under any Credit Document or otherwise with respect to any Loan, B/A or Letter of Credit, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Borrower of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding, (b) all obligations under any Swap Contract between any Credit Party and any Lender or Affiliate of a Lender or any Person that was a Lender or Affiliate of a Lender at the time it entered into such Swap Contract, to the extent such Swap Contract is otherwise permitted hereunder (each, in such capacity, a “Hedge Bank”) and (c) all obligations

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under any Treasury Management Agreement between any Credit Party and any Lender or Affiliate of a Lender or any Person that was a Lender or Affiliate of a Lender at the time it entered into such Treasury Management Agreement (each, in such capacity, a “Treasury Management Bank”).

“Borrowers” has the meaning provided in the recitals hereto.

“Borrowing” means (a) a borrowing consisting of simultaneous Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period, or (b) a borrowing of Swingline Loans, as appropriate.

“Business Day” means any day (other than a day which is a Saturday, Sunday, or other day on which banks in New York are authorized or required by law to close); provided, however, that (a) when used in connection with a rate determination, borrowing, or payment in respect of a Eurodollar Rate Loan, the term “Business Day” shall also exclude any day on which banks in London, England are not open for dealings in deposits of Dollars or foreign currencies, as applicable, in the London Interbank Market, (b) when used in connection with a Loan denominated in Euros, the term “Business Day” shall also exclude any day on which the TARGET payment system is not open for the settlement of payments in Euros, (c) when used in connection with a Loan denominated in Canadian Dollars or a B/A, the term “Business Day” shall also exclude any day on which banks are not open for dealings in deposits in Canadian Dollars in Toronto and (d) when used in connection with a Loan denominated in any Alternative Currency other than Euros and Canadian Dollars, the term “Business Day” shall also exclude any day on which banks are not open for dealings in deposits in the applicable currency in the principal financial center of the country of such currency.

“Canadian Agent” means JPMorgan Chase Bank, N.A., Toronto Branch, in its capacity as Canadian agent for the Lenders hereunder, or any successor Canadian agent.

“Canadian Borrower” means the Parent Borrower or any Subsidiary that is incorporated or otherwise organized under the laws of Canada or any political subdivision thereof that has been designated as a Foreign Borrower pursuant to Section 1.08 and, in each case that has not ceased to be a Foreign Borrower as provided in Section 1.08.

“Canadian Dollars” and “C\$” means the lawful currency of Canada.

“Canadian Lending Office” means, as to any Limited Currency Revolving Lender, the applicable branch, office or Affiliate of such Limited Currency Revolving Lender designated by such Limited Currency Revolving Lender to make Loans in Canadian Dollars and to accept and purchase or arrange for the purchase of B/As and as to any Multicurrency Revolving Lender, the applicable branch, office or Affiliate of such Multicurrency Revolving Lender designated by such Multicurrency Revolving Lender to make Loans in Canadian Dollars and to accept and purchase or arrange for the purchase of B/As.

“Capital Expenditures” means, as to any Person, expenditures with respect to property, plant and equipment during such period which should be capitalized in accordance with GAAP (including the Attributable Principal Amount of capital leases). The following items will be excluded from the definition of Capital Expenditures: (a) expenditures to the extent funded by insurance proceeds, condemnation awards or payments pursuant to a deed in lieu thereof, (b) expenditures to the extent made through barter transactions and (c) non-cash capital expenditures required to be booked as capital expenditures in accordance with GAAP.

“Capital Stock” means (a) in the case of a corporation, capital stock, (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock, (c) in the case of a partnership, partnership interests (whether general or limited), (d) in the case of a limited liability company, membership interests and (e) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person (but excluding, in each case, any debt security that is convertible into, or exchangeable for, Capital Stock).

“Cash Collateralize” has the meaning provided in Section 2.03(g).

“Cash Equivalents” means (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than twelve (12) months from the date of acquisition, (b) Dollar-denominated time deposits, money market deposits and certificates of deposit of (i) any Lender that accepts such deposits in the ordinary course of such Lender’s business, (ii) any domestic commercial bank of recognized standing having capital and surplus in excess of \$500.0 million or (iii) any bank whose short-term commercial paper rating from S&P is at least A-1 or from Moody’s is at least P-1, in each case with maturities of not more than two hundred seventy (270) days from the date of acquisition, (c) commercial paper issued by any issuer bearing at least an “A-2” rating for any short-term rating provided by S&P and/or Moody’s and maturing within two hundred seventy (270) days of the date of acquisition, (d) repurchase agreements entered into by the Parent Borrower with a bank or trust company (including any of the Lenders) or recognized securities dealer having capital and surplus in excess of \$500.0 million for direct obligations issued by or fully guaranteed by the United States and having, on the date of purchase thereof, a fair market value of at least one hundred percent (100%) of the amount of the repurchase obligations, (e) Investments (classified in accordance with GAAP as current assets) in money market investment programs registered under the Investment Company Act of 1940, as amended, that are administered by reputable financial institutions having capital and surplus of at least \$500.0 million and the portfolios of which are limited to Investments of the character described in the foregoing subclauses hereof, (f) shares of mutual funds if no less than 95% of such funds’ investments satisfy the provisions of clauses (a) through (e) above, and (g) in the case of any Foreign Subsidiary, short-term investments of comparable credit quality (or the best available in such Foreign Subsidiary’s jurisdiction) and tenor to those referred to in clauses (a) through (f) above which are customarily used for cash management purposes in any country in which such Foreign Subsidiary operates.

“CDOR Rate” means, on any date, an interest rate per annum equal to the average discount rate applicable to bankers’ acceptances denominated in Canadian Dollars with a term of 30 days (for purposes of the definition of the term “Base Rate”) or with a term equal to the Contract Period of the relevant B/As (for purposes of the definition of the term “Discount Rate”) appearing on the Reuters Screen CDOR Page (or on any successor or substitute page of such Screen, or any successor to or substitute for such Screen, providing rate quotations comparable to those currently provided on such page of such Screen, as determined by the Canadian Agent from time to time) at approximately 10:00 a.m., Toronto time, on such date (or, if such date is not a Business Day, on the next preceding Business Day).

“Change in Law” means the occurrence, after the Closing Date, 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 or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority.

“Change of Control” means an event or series of events by which:

(a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan unless such plan is part of a group) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934), directly or indirectly, of forty percent (40%) or more of the equity securities of the Parent Borrower entitled to vote for members of the board of directors or equivalent governing body of the Parent Borrower on a fully diluted basis;

(b) there shall be consummated any share exchange, consolidation or merger of the Parent Borrower pursuant to which the Parent Borrower’s Capital Stock entitled to vote in the election of the board of directors of the Parent Borrower generally would be converted into cash, securities or other property, or the Parent Borrower sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of its assets, in each case other than pursuant to a share exchange, consolidation or merger of the Parent Borrower in which the holders of the Parent Borrower’s Capital Stock entitled to vote in the election of the board of directors of the Parent Borrower generally immediately prior to the share exchange, consolidation or merger have, directly or indirectly, at least a majority of the total voting power in the aggregate of all classes of Capital Stock of the continuing or surviving entity entitled to vote in the election of

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the board of directors of such person generally immediately after the share exchange, consolidation or merger; or

(c) a “change of control” or any comparable term under, and as defined in, any of the documentation relating to the Convertible Notes, the Existing Senior Notes or the New Senior Notes shall have occurred.

“Closing Date” means the date hereof.

“Collateral” means the collateral identified in, and at any time covered by, the Collateral Documents.

“Collateral Agent” means JPMCB in its capacity as collateral agent or security trustee, as applicable, for the Lenders under any of the Collateral Documents, or any successor collateral agent.

“Collateral Documents” means the U.S. Security Agreement, the U.S. Pledge Agreement, the Foreign Collateral Documents and any other documents executed and delivered in connection with the attachment and perfection of security interests granted to secure the Obligations.

“Commitment Fees” has the meaning provided in Section 2.09(a).

“Commitment Period” means the period from and including the Closing Date to the earlier of (a) (i) in the case of Revolving Loans and Swingline Loans, the Revolving Termination Date or (ii) in the case of the Letters of Credit, the L/C Expiration Date, or (b) in the case of the Revolving Loans, Swingline Loans and the Letters of Credit, the date on which the applicable Revolving Commitments shall have been terminated as provided herein.

“Commitments” means the Revolving Commitments, the L/C Commitments, the Swingline Commitment, the Term A Loan Commitments and the Term B Loan Commitments.

“Compliance Certificate” means a certificate substantially in the form of Exhibit 7.02(b).

“Consolidated Capital Expenditures” means, for any period for the Consolidated Group, without duplication, all Capital Expenditures.

“Consolidated EBITDA” means, for any period for the Consolidated Group, Consolidated Net Income in such period plus, without duplication, (A) in each case solely to the extent decreasing Consolidated Net Income in such period: (a) consolidated interest expense (net of interest income), (b) provision for taxes, to the extent based on income or profits, (c) amortization and depreciation, (d) the amount of all expenses incurred in connection with (x) the closing and initial funding of this Credit Agreement, the New Senior Notes or the Transactions and (y) the Ticketmaster Merger in an amount under this clause (y) not to exceed \$85.0 million in the aggregate, (e) the amount of all non-cash deferred compensation expense, (f) the amount of all expenses associated with the early extinguishment of Indebtedness, (g) any losses from sales of Property, other than from sales in the ordinary course of business, (h) any non-cash impairment loss of goodwill or other intangibles required to be taken pursuant to GAAP, (i) any non-cash expense recorded with respect to stock options or other equity-based compensation, (j) any extraordinary loss in accordance with GAAP, (k) any restructuring, non-recurring or other unusual item of loss or expense (including write-offs and write-downs of assets), other than any write-off or write-down of inventory or accounts receivable; provided that the aggregate amount of any such losses or expenses in cash shall not exceed \$35.0 million in any four quarter period ending on or prior to June 30, 2011 and \$10.0 million in any four quarter period ending thereafter, (l) any non-cash loss related to discontinued operations, (m) any other non-cash charges (other than write-offs or write-downs of inventory or accounts receivable) and (n) fees and expenses incurred in connection with the making of acquisitions and other non-ordinary course Investments pursuant to Section 8.02, in an aggregate amount not to exceed \$30.0 million in any four quarter period; provided that, in the case of any non-cash charge referred to in this definition of Consolidated EBITDA that relates to accruals or reserves for a future cash disbursement, such future cash disbursement shall be deducted from Consolidated EBITDA in the period when such cash is so disbursed minus (B) in each case solely to the extent increasing Consolidated Net Income in such period: (a) any extraordinary gain in accordance with GAAP, (b) any nonrecurring item of gain or income (including write-ups of assets), other



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than any write-up of inventory or accounts receivable, (c) any gains from sales of Property, other than from sales in the ordinary course of business, (d) any non-cash gain related to discontinued operations, and (e) the aggregate amount of all other non-cash items increasing Consolidated Net Income during such period; provided that in the case of any non-cash item referred to in clause (B) of this definition of Consolidated EBITDA that relates to a future cash payment to the Parent Borrower or a Subsidiary, such future cash payment shall be added to Consolidated EBITDA in the period when such payment is so received by the Parent Borrower or such Subsidiary.

Subject to the following sentence, Consolidated EBITDA for the fiscal quarters ended September 30, 2009 and December 31, 2009 shall be deemed to be \$234.5 million and \$88.2 million, respectively. Without duplication of any pro forma adjustments reflected in the amounts set forth in the immediately preceding sentence, Consolidated EBITDA for any period shall be calculated on a Pro Forma Basis pursuant to Section 1.03(b).

“Consolidated Excess Cash Flow” means, for any period for the Consolidated Group, (a) net cash provided by operating activities for such period as reported on the audited GAAP cash flow statement delivered under Section 7.01(a) minus (b) the sum of, in each case to the extent not otherwise reducing net cash provided by operating activities in such period, without duplication, (i) scheduled principal payments and payments of interest in each case made in cash on Consolidated Total Funded Debt during such period (including for purposes hereof, sinking fund payments, payments in respect of the principal components under capital leases and the like relating thereto), in each case other than in connection with a refinancing thereof, (ii) Consolidated Capital Expenditures made in cash during such period that are not financed with the proceeds of Indebtedness, an issuance of Capital Stock or from a reinvestment of Net Cash Proceeds referred to in Section 2.06(b)(ii), (iii) optional prepayments of Funded Debt during such period (other than prepayments of Loans owing under this Credit Agreement (except prepayments of Revolving Loans, to the extent there is a simultaneous reduction in the Aggregate Revolving Commitments in the amount of such prepayment pursuant to Section 2.07) and other than such optional prepayments made with the proceeds of other Indebtedness), (iv) to the extent not financed with the incurrence or assumption of Indebtedness or proceeds from an issuance of Capital Stock, Subject Dispositions, Specified Dispositions or Involuntary Dispositions, cash sums expended for Investments pursuant to Sections 8.02(c) (to the extent such advances are not repaid to Parent Borrower or a Subsidiary), (i), (j) or (k) (other than with respect to any amount expended on such Investments through the use of the Cumulative Credit) during such period, (v) without duplication of amounts deducted from Consolidated Excess Cash Flow in prior periods, the aggregate consideration required to be paid in cash by the Parent Borrower or any Subsidiary pursuant to binding contracts (the “Contract Consideration”) entered into prior to or during such period relating to Consolidated Capital Expenditures to be consummated or made during the three months following the end of such period, provided that to the extent the aggregate amount of internally generated cash actually utilized to finance such Consolidated Capital Expenditures during such three months is less than the Contract Consideration, the amount of such shortfall shall be added to Consolidated Excess Cash Flow for the period following such period and (vi) to the extent such amounts increased net cash provided by operating activities in such period, funds collected by the Parent Borrower or any of its Subsidiaries on behalf of clients of the Parent Borrower or any of its Subsidiaries representing the face amount of tickets sold plus (c) to the extent such amounts decreased net cash provided by operating activities in such period, funds remitted by the Parent Borrower or any of its Subsidiaries to clients of the Parent Borrower or any of its Subsidiaries representing the face amount of tickets sold.

“Consolidated Group” means the Parent Borrower and its consolidated Subsidiaries, as determined in accordance with GAAP.

“Consolidated Interest Coverage Ratio” means, as of the last day of each fiscal quarter, for the period of four (4) consecutive fiscal quarters then ending, the ratio of (i) Consolidated EBITDA of the Consolidated Group to (ii) Consolidated Interest Expense of the Consolidated Group.

“Consolidated Interest Expense” means, for any period, the sum of the total interest expense of the Consolidated Group (calculated without regard to any limitations on the payment thereof) plus, without duplication, the interest component under capital leases determined on a consolidated basis minus to the extent (x) not exceeding \$7.5 million in such period and (y) not included in the Parent Borrower’s consolidated revenues in accordance with GAAP, interest income determined on a consolidated basis; provided that the amortization of deferred financing, legal and accounting costs with respect to debt financings shall be excluded from Consolidated Interest Expense to the extent the same would otherwise have been included therein; provided further that subject to adjustment for

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events occurring after the Closing Date pursuant to Section 1.03(b), Consolidated Interest Expense for any period ending prior to the first anniversary of the Closing Date shall be determined by multiplying (x) Consolidated Interest Expense from and including the Closing Date to and including the last day of such period by (y) a fraction, the numerator of which is 365 and the denominator of which is the number of days in such period; provided further that the interest expense on Indebtedness of a Subsidiary of the Parent Borrower that is non-recourse to the Credit Parties and whose net income is excluded in the calculation of Consolidated Net Income due to the operation of clause (ii) of the definition thereof shall be excluded.

Without duplication of any of the adjustments reflected in the calculations set forth in the second proviso of the immediately preceding sentence, Consolidated Interest Expense shall be calculated on a Pro Forma Basis pursuant to Section 1.03(b).

“Consolidated Net Income” means, for any period for the Consolidated Group, the net income (or loss), determined on a consolidated basis (after any deduction for minority interests except in the case of any Credit Party) of the Consolidated Group in accordance with GAAP, provided that (i) in determining Consolidated Net Income, the net income of any Unrestricted Subsidiary or any other Person which is not a Subsidiary of the Parent Borrower or is accounted for by the Parent Borrower by the equity method of accounting shall be included only to the extent of the payment of cash dividends or cash distributions by such other Person to a member of the Consolidated Group during such period, (ii) the net income of any Subsidiary of the Parent Borrower (other than a Domestic Guarantor) that is not distributed to the Parent Borrower or a Domestic Guarantor shall be excluded to the extent that the declaration or payment of cash dividends or similar cash distributions by that Subsidiary of that net income is not at the date of determination permitted by operation of its Organization Documents or any agreement, instrument or law applicable to such Subsidiary and (iii) the cumulative effect of any change in accounting principles shall be excluded. Consolidated Net Income shall be calculated on a Pro Forma Basis pursuant to Section 1.03(b).

“Consolidated Total Assets” means the total assets of the Parent Borrower and its Subsidiaries on a consolidated basis determined in accordance with GAAP, as shown on the most recent balance sheet of the Parent Borrower required to have been delivered pursuant to Section 7.01(a) or (b) or, for the period prior to the time any such statements are required to be so delivered pursuant to Section 7.01(a) or (b), as shown on the financial statements referred to in the first sentence of Section 6.05.

“Consolidated Total Funded Debt” means, at any time, the principal amount of all Funded Debt of the Consolidated Group at such time determined on a consolidated basis (it being understood and agreed that outstanding letters of credit shall not constitute Funded Debt unless such letters of credit have been drawn on by the beneficiary thereof and the resulting obligations have not been paid by the Parent Borrower).

“Consolidated Total Leverage Ratio” means, as of the last day of any fiscal quarter, the ratio of (i) Consolidated Total Funded Debt on such day to (ii) Consolidated EBITDA of the Consolidated Group for the period of four (4) consecutive fiscal quarters ending on such day.

“Contract Consideration” has the meaning assigned to such term in the definition of Consolidated Excess Cash Flow.

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

“Contract Period” means, with respect to any B/A, the period commencing on the date such B/A is issued and accepted and ending on the date 30, 60, 90 or 180 days thereafter, as the applicable Canadian Borrower may elect (in each case subject to availability), provided that if such Contract Period would end on a day other than a Business Day, such Contract Period shall be extended to the next succeeding Business Day.

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

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“Credit Agreement” has the meaning provided in the recitals hereto, as the same may be amended and modified from time to time.

“Credit Documents” means this Credit Agreement, the Notes, the Collateral Documents, the Engagement Letter, the Administrative Agent Fee Letter, the Issuer Documents, the Joinder Agreements, any Foreign Borrower Agreements, any Foreign Borrower Terminations, any Revolving Lender Joinder Agreement, any Guarantee and any Incremental Term Loan Joinder Agreement.

“Credit Extension” means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

“Credit Parties” means the Parent Borrower, any Foreign Subsidiary that becomes a Foreign Borrower under Section 1.08 and any Guarantor.

“Credit Party Materials” has the meaning provided in Section 7.02.

“Cumulative Credit” means, with respect to any proposed use of the Cumulative Credit at any time, an amount equal to (a) the amount of the Consolidated Excess Cash Flow for each full fiscal quarter of the Parent Borrower completed after December 31, 2010, to the extent the financial statements required to be delivered for the period ending on the last day of such fiscal quarter pursuant to Section 7.01(a) or (b) have been delivered and, to the extent the end of such fiscal quarter coincides with the end of a fiscal year of the Parent Borrower, all prepayments that may be required pursuant to Section 2.06(b)(iv) with respect to the Consolidated Excess Cash Flow generated in such fiscal year have been made (provided that, to the extent the end of any fiscal quarter of the Parent Borrower does not coincide with the end of a fiscal year of the Parent Borrower, 25% of the Consolidated Excess Cash Flow generated in such fiscal quarter shall not be counted toward calculating the amount referred to in this clause (a) until the financial statements for the fiscal year in which fiscal quarter falls have been delivered pursuant to Section 7.01(a) and all prepayments that may be required pursuant to Section 2.06(b)(iv) with respect to the Consolidated Excess Cash Flow generated in such fiscal year have been made), plus (b) without duplication of any amounts referred to in clause (c), the aggregate amount of Net Cash Proceeds of any issuance of Qualified Capital Stock of the Parent Borrower (but not including any issuance or purchase referred to in Sections 8.02(c), 8.02(r) or 8.06(h)) after the Closing Date and at or prior to such time plus (c) to the extent not otherwise reflected in Consolidated Excess Cash Flow, the amount of cash returns on any Investment made pursuant to Section 8.02(k) (other than any Investment subsequently deemed to be made pursuant to Section 8.02(e)) in a Person other than the Parent Borrower or a Subsidiary (to the extent such Investment was made through the use of the Cumulative Credit) resulting from interest payments, dividends, repayments of loans or advances or profits from Dispositions of Property, in each case to the extent actually received by a Domestic Credit Party at or prior to such time (provided that any such cash returns in respect of amounts described in clause (c) above shall only increase the Cumulative Credit for purposes of determining the amount of the Cumulative Credit available for making Investments pursuant to Section 8.02(k)) plus (d) \$50.0 million minus (e) the aggregate amount of Investments and Restricted Payments made since the Closing Date pursuant to Sections 8.02(k) (excluding Investments subsequently deemed to have been made pursuant to Section 8.02(e) and 8.06(f)), respectively, through utilization of the Cumulative Credit (excluding such proposed use of the Cumulative Credit, but including any other simultaneous proposed use of the Cumulative Credit) (provided that Investments of amounts described in clause (c) above shall only decrease the Cumulative Credit for purposes of determining the amount of the Cumulative Credit available for making Investments pursuant to Section 8.02(k)) minus (f) the ECF Application Amount for each fiscal year of the Parent Borrower, to the extent the financial statements for such fiscal year have been delivered pursuant to Section 7.01(a) less any voluntary prepayments of the Term Loans made during such fiscal year (other than such voluntary prepayments made with the proceeds of Indebtedness).

“Debtor Relief Laws” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any event, act or condition that constitutes an Event of Default or that, with notice, the passage of time, or both, would constitute an Event of Default.

“Default Rate” means an interest rate equal to (a) with respect to Obligations other than (i) Eurodollar Rate Loans and (ii) Letter of Credit Fees, the Base Rate plus the Applicable Percentage, if any, applicable to such Loans plus two percent (2%) per annum; (b) with respect to Eurodollar Rate Loans, the Adjusted Eurodollar Rate plus the Applicable Percentage, if any, applicable to such Loans plus two percent (2%) per annum; and (c) with respect to Letter of Credit Fees, a rate equal to the Applicable Percentage plus two percent (2%) per annum.

“Defaulting Lender” means any Lender that (a) has failed to fund any portion of its Loans or participations in Letters of Credit or Swingline Loans required to be funded by it hereunder within three (3) Business Days of the date required to be funded by it hereunder, (b) has notified the Parent Borrower or the Applicable Agent that it does not intend to comply with any of its funding obligations under this Credit Agreement, (c) has failed, within three (3) Business Days after request by the Applicable Agent or any applicable L/C Issuer, to confirm that it will comply with the terms of this Credit Agreement relating to its participation obligations in respect of all then outstanding Letters of Credit and Swingline Loans, (d) has otherwise failed to pay over to the Applicable Agent, any applicable L/C Issuer or any other Lender any other amount required to be paid by it hereunder within three (3) Business Days of the date when due, unless the subject of a good faith dispute, (e) in the case of a Lender with a Commitment, Swingline Exposure or L/C Obligations, is insolvent or has become the subject of a bankruptcy or insolvency proceeding or (f) has any Affiliate that has Control of such Lender that is insolvent or that has become the subject of a bankruptcy or insolvency proceeding; provided that a Lender shall not qualify as a “Defaulting Lender” solely as the result of the acquisition or maintenance of an ownership interest in such Lender or any Person controlling such Lender, or the exercise of control over such Lender or any Person controlling such Lender, by a governmental authority or an instrumentality thereof.

“Designated Assets” means the assets listed on Schedule 8.05.

“Designated Investments” means the Investments listed on Schedule 8.02(x).

“Designated Revolving Obligations” means all obligations of the Borrowers with respect to (a) principal and interest under the Revolving Loans and Swingline Loans, (b) amounts payable in respect of B/As at maturity thereof, (c) L/C Borrowings and interest thereon and (d) accrued and unpaid fees thereon.

“Designated Sale and Leaseback Assets” means the assets listed in Schedule 1.01A.

“Discount Proceeds” means, with respect to any B/A, an amount (rounded upward, if necessary, to the nearest C\$.01) calculated by multiplying (a) the face amount of such B/A by (b) the quotient obtained by dividing (i) one by (ii) the sum of (A) one and (B) the product of (x) the Discount Rate (expressed as a decimal) applicable to such B/A and (y) a fraction of which the numerator is the Contract Period applicable to such B/A and the denominator is 365, with such quotient being rounded upward or downward to the fifth decimal place and .000005 being rounded upward.

“Discount Rate” means, with respect to a B/A being accepted and purchased on any day, (a) for a Lender which is a Schedule I Lender, (i) the CDOR Rate applicable to such B/A, or (ii) if the discount rate for a particular Contract Period is not quoted on the Reuters Screen CDOR Page, the arithmetic average (as determined by the Canadian Agent) of the percentage discount rates (expressed as a decimal and rounded upward, if necessary, to the nearest 1/100 of 1%) quoted to the Canadian Agent by the Schedule I Reference Lenders as the percentage discount rate at which each such bank would, in accordance with its normal practices, at approximately 10:00 a.m., Toronto time, on such day, be prepared to purchase bankers’ acceptances accepted by such bank having a face amount and term comparable to the face amount and Contract Period of such B/A, and (b) for a Lender which is a Schedule II Lender or a Schedule III Lender, the lesser of (i) the CDOR Rate applicable to such B/A plus 0.10% per annum and (ii) the arithmetic average (as determined by the Canadian Agent) of the percentage discount rates (expressed as a decimal and rounded upward, if necessary, to the nearest 1/100 of 1%) quoted to the Canadian Agent by the Schedule II Reference Lenders as the percentage discount rate at which each such bank would, in accordance with its normal practices, at approximately 10:00 a.m., Toronto time, on such day, be prepared to purchase bankers’ acceptances accepted by such bank having a face amount and term comparable to the face amount and Contract Period of such B/A.

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“Disposition” or “Dispose” means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any Property by any Person, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith (but excluding the making of any Investment pursuant to Section 8.02).

“Disqualified Capital Stock” means Capital Stock that (a) requires the payment of any dividends or distributions (other than dividends or distributions payable solely in shares of Capital Stock other than Disqualified Capital Stock) prior to the date that is the first anniversary of the Final Maturity Date or (b) matures or is mandatorily redeemable or subject to mandatory repurchase or redemption or repurchase at the option of the holders thereof, in whole or in part and whether upon the occurrence of any event, pursuant to a sinking fund obligation, on a fixed date or otherwise, in each case prior to the date that is the first anniversary of the Final Maturity Date (other than upon payment in full of the Obligations (other than contingent indemnification obligations for which no claim has been made) and termination of the Commitments).

“Dollar” or “\$” means the lawful currency of the United States.

“Dollar Equivalent” means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any Alternative Currency, the equivalent amount thereof in Dollars as determined by the Applicable Agent or the applicable L/C Issuer, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Alternative Currency.

“Dollar Facility L/C Obligations” means, at any date of determination, the Dollar Facility Percentage multiplied by the sum of (x) the aggregate Dollar Equivalent amount available to be drawn under all outstanding Letters of Credit at such date plus (y) the aggregate Dollar Equivalent amount of all L/C Borrowings at such date. For all purposes of this Credit 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 Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“Dollar Facility Percentage” means, at any time, a fraction (expressed as a percentage carried to the ninth decimal place), the numerator of which is the Aggregate Dollar Revolving Committed Amount at such time and the denominator of which is the L/C Committed Amount at such time.

“Dollar L/C Issuer” means JPMCB and Deutsche Bank AG, New York Branch, each in its capacity as issuer of Letters of Credit hereunder and any issuer of an Existing Letter of Credit that is a Dollar Revolving Lender, together with their respective successors in such capacity and any Dollar Revolving Lender approved by the Administrative Agent and the Parent Borrower; provided that no Lender shall be obligated to become an L/C Issuer hereunder. References herein and in the other Credit Documents to the Dollar L/C Issuer shall be deemed to refer to the Dollar L/C Issuer in respect of the applicable Letter of Credit or to all Dollar L/C Issuers, as the context requires.

“Dollar Revolving Commitment” means, for each Dollar Revolving Lender, the commitment of such Lender to make Dollar Revolving Loans (and to share in Dollar Revolving Obligations) hereunder.

“Dollar Revolving Commitment Percentage” means, for each Dollar Revolving Lender, a fraction (expressed as a percentage carried to the ninth decimal place), the numerator of which is such Dollar Revolving Lender’s Dollar Revolving Committed Amount and the denominator of which is the Aggregate Dollar Revolving Committed Amount. The initial Dollar Revolving Commitment Percentages are set forth in Schedule 2.01.

“Dollar Revolving Committed Amount” means, for each Dollar Revolving Lender, the amount of such Lender’s Dollar Revolving Commitment. The initial Dollar Revolving Committed Amounts are set forth in Schedule 2.01.

“Dollar Revolving Facility” means the Aggregate Dollar Revolving Commitments and the provisions herein related to the Dollar Revolving Loans, the Swingline Loans and the Letters of Credit.

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“Dollar Revolving Lenders” means those Lenders with Dollar Revolving Commitments, together with their successors and permitted assigns. The initial Dollar Revolving Lenders are identified on the signature pages hereto and are set forth in Schedule 2.01.

“Dollar Revolving Loan” has the meaning provided in Section 2.01(a)(i).

“Dollar Revolving Notes” means the promissory notes, if any, given to evidence the Dollar Revolving Loans, as amended, restated, modified, supplemented, extended, renewed or replaced. A form of Dollar Revolving Note is attached as Exhibit 2.13-1.

“Dollar Revolving Obligations” means the Dollar Revolving Loans, the Dollar Facility L/C Obligations and the Swingline Loans.

“Domestic Credit Party” means any Credit Party that is organized under the laws of any State of the United States or the District of Columbia.

“Domestic Guaranteed Obligations” has the meaning provided in Section 4.01(a).

“Domestic Guarantor” means any Guarantor that is a Domestic Subsidiary.

“Domestic Obligations” means the Obligations of the Domestic Credit Parties.

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

“ECF Application Amount” means, with respect to any fiscal year of the Parent Borrower, the product of the ECF Percentage applicable to such fiscal year times the Consolidated Excess Cash Flow for such fiscal year.

“ECF Percentage” means, with respect to any fiscal year of the Parent Borrower (x) ending on December 31, 2010, zero percent (0%) and (y) ending after December 31, 2010, if the Consolidated Total Leverage Ratio as of the last day of such fiscal year is (i) greater than or equal to 3.50:1.00, fifty percent (50%), (ii) greater than or equal to 3.00:1.00 but less than 3.50:1.00, twenty five percent (25%) and (iii) less than 3.00:1.00, zero percent (0%).

“Eligible Assignee” means (a) a Lender; (b) an Affiliate of a Lender; (c) an Approved Fund; and (d) any other Person (other than a natural person) approved by the party or parties whose approval is required under Section 11.06(b); provided that notwithstanding the foregoing, “Eligible Assignee” shall not include the Parent Borrower or any of the Parent Borrower’s Affiliates or Subsidiaries.

“EMU Legislation” means the legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

“Engagement Letter” means the Engagement Letter dated as of April 21, 2010 among the Parent Borrower, JPMCB, the Lead Arrangers and the other parties thereto.

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

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Parent Borrower, any other Credit Party or any of their respective Subsidiaries 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

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(e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

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

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with the Parent Borrower within the meaning of Section 414(b) or (c) of the Internal Revenue Code or, solely for purposes of Section 412 of the Internal Revenue Code, is treated as a single employer under Section 414 of the Internal Revenue Code.

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) with respect to any Pension Plan, the failure to satisfy the minimum funding standard under Section 412 of the Internal Revenue Code and Section 302 of ERISA, whether or not waived, the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (c) a withdrawal by the Parent Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (d) a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) by the Parent Borrower or any ERISA Affiliate from a Multiemployer Plan resulting in withdrawal liability pursuant to Section 4201 of ERISA or notification that a Multiemployer Plan is in reorganization pursuant to Section 4214 of ERISA; (e) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Sections 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (f) an event or condition that would reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or Multiemployer Plan; or (g) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Parent Borrower or any ERISA Affiliate.

“Euro” and “€” mean the lawful currency of the Participating Member States introduced in accordance with the EMU Legislation.

“Eurodollar Rate” means, for any Interest Period, the rate per annum determined by the London Agent to be the arithmetic mean of the offered rates for deposits in the relevant Approved Currency with a term comparable to such Interest Period that appears on the Telerate British Bankers Assoc. Interest Settlement Rates Page (as defined below) at approximately 11:00 a.m. (London time) on the second full Business Day preceding the first day of such Interest Period; provided, however, that (i) if no comparable term for an Interest Period is available, the Eurodollar Rate shall be determined using the weighted average of the offered rates for the two terms most nearly corresponding to such Interest Period and (ii) if there shall at any time no longer exist a Telerate British Bankers Assoc. Interest Settlement Rates Page, “Eurodollar Rate” shall mean, with respect to each day during each Interest Period pertaining to a Borrowing of Eurodollar Rate Loans comprising part of the same Borrowing, the rate per annum equal to the rate at which the London Agent is offered deposits in the relevant Approved Currency at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period in the London interbank market for delivery on the first day of such Interest Period for the number of days comprised therein and in an amount comparable to its portion of the amount of such Borrowing to be outstanding during such Interest Period. “Telerate British Bankers Assoc. Interest Settlement Rates Page” shall mean the display designated as Reuters Screen LIBOR01 Page (or such other page as may replace such page on such service for the purpose of displaying the rates at which the relevant Approved Currency deposits are offered by leading banks in the London interbank deposit market); provided, further, that for purposes of the Term B Loans only, the Eurodollar Rate for the applicable Interest Period determined in accordance with the foregoing would be less than 1.50% per annum, then the Eurodollar Rate for such day shall be 1.50% per annum.

“Eurodollar Rate Loan” means a Loan that bears interest at a rate based on the Adjusted Eurodollar Rate.

“Event of Default” has the meaning provided in Section 9.01.

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“Excluded Acquisition” means any purchase or other acquisition, in one transaction or a series of related transactions, of assets, properties and/or Capital Stock with an aggregate fair market value not exceeding \$5,000,000 (or the Dollar Equivalent thereof).

“Excluded Property” means (a) vehicles, (b) fee interests in real property, (c) leasehold real property, (d) those assets as to which the Borrower and the Administrative Agent shall reasonably determine in writing that the costs of obtaining such security interest are excessive in relation to the value of the security to be afforded thereby, (e) assets if the granting or perfecting of a security interest in such assets in favor of the Collateral Agent would violate any applicable Law, (f) any right, title or interest in any license, contract or agreement to the extent, but only to the extent that a grant of a security interest therein to secure the Obligations would, under the terms of such license, contract or agreement, result in a breach of the terms of, or constitute a default under, or result in the abandonment, invalidation or unenforceability of, such license, contract or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the New York UCC or any other applicable law (including, without limitation, Title 11 of the United States Code) or principles of equity), (g)(A) any Capital Stock listed on Schedule 1.01E and (B) any Capital Stock acquired after the Closing Date (other than Capital Stock in a Subsidiary issued or acquired after such Person became a Subsidiary) in accordance with this Credit Agreement if, and to the extent that, and for so long as, in the case of this clause (B), (i) such Capital Stock constitutes less than 100% of all applicable Capital Stock of such person, and the Person or Persons holding the remainder of such Capital Stock are not Affiliates of the Parent Borrower, (ii) doing so would violate applicable law or a contractual obligation binding on such Capital Stock and (iii) with respect to such contractual obligations (other than contractual obligations in connection with a joint venture agreement), such obligation existed at the time of the acquisition of such Capital Stock and was not created or made binding on such Capital Stock in contemplation of or in connection with the acquisition of such Subsidiary, (h) any Property purchased with the proceeds of purchase money Indebtedness or that is subject to a capital lease, in each case, existing or incurred pursuant to Sections 8.03(b) or (c) if the contract or other agreement in which the Indebtedness and/or Liens related thereto is granted (or the documentation providing for such capital lease obligation) prohibits or requires the consent of any Person other than a member of the Consolidated Group as a condition to the creation of any other security interest on such Property, (i) the HOBE Excluded Assets, (j) Permitted Deposits, (k) inventory consisting of beer, wine or liquor, (l) any Capital Stock of Unrestricted Subsidiaries and (m) deposit and securities accounts of Foreign Subsidiaries subject Liens granted pursuant to Section 8.01(z).

“Excluded Sale and Leaseback Transaction” means any Sale and Leaseback Transaction with respect to Property owned by the Parent Borrower or any Subsidiary to the extent such Property is acquired after the Closing Date, so long as such Sale and Leaseback Transaction is consummated within 180 days of the acquisition of such Property.

“Excluded Subsidiary” means (a) any Immaterial Subsidiary, (b) any Unrestricted Subsidiary, (c) each Subsidiary of the Parent Borrower designated as such on Schedule 6.14 hereto, (d) each Foreign Subsidiary that is not a Wholly Owned Subsidiary, (e) each Subsidiary designated as an “Excluded Subsidiary” by a written notice to the Administrative Agent; provided that such designation under this clause (e) shall constitute an Investment pursuant to Section 8.02 and (f) unless otherwise agreed by Parent Borrower and the Administrative Agent, any Subsidiary of any of the foregoing Subsidiaries; provided further that a Foreign Borrower shall in no event be an Excluded Subsidiary.

“Excluded Taxes” means, with respect to any Agent, any Lender, any L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Credit Party hereunder or under any other Credit Document, (a) Taxes imposed on or measured by its overall net income (however denominated) and franchise Taxes imposed on it (in lieu of net income Taxes) by any jurisdiction (or any political subdivision thereof) as a result of such recipient being organized in or having its principal office or applicable Lending Office in such jurisdiction or as a result of any other present or former connection with such jurisdiction (other than any such connections arising solely from such recipient having executed, delivered, or become a party to, performed its obligations or received payments under, received or perfected a security interest under, engaged in any other transaction specifically contemplated by, or enforced, any Credit Documents), (b) any Taxes in the nature of branch profits tax within the meaning of Section 884(a) of the Internal Revenue Code imposed by any jurisdiction described in clause (a), (c) in the case of a recipient other than an assignee pursuant to a request by the Parent Borrower under Section 11.13, any U.S.



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federal withholding Tax that is imposed on amounts payable to such recipient pursuant to Laws in effect at the time such recipient becomes a party hereto (or designates a new Lending Office), except to the extent that such recipient (or its assignor, if any) was entitled, at the time of designation of a new Lending Office (or assignment), to receive additional amounts from the Parent Borrower with respect to such withholding Tax pursuant to Section 3.01(a), and (d) any withholding Tax that is attributable to a recipient's failure to comply with Section 3.01(e).

“Existing Convertible Notes” means the Parent Borrower's 2.875% convertible senior notes due 2027 in an aggregate principal amount of \$220.0 million.

“Existing Convertible Notes Indenture” means the indenture, dated July 16, 2007, governing the Existing Convertible Notes.

“Existing Credit Facilities” means the Existing Live Nation Credit Facility and the Existing Ticketmaster Credit Facility.

“Existing Letters of Credit” means the letters of credit listed on Schedule 1.01B.

“Existing Live Nation Credit Facility” means the Amended and Restated Credit Agreement of Live Nation, Inc. dated as of July 17, 2008.

“Existing Preferred Stock” means (i) the Series A redeemable preferred stock with an aggregate liquidation preference of US\$20,000,000 issued by Live Nation Holdco #2, Inc. and (ii) the Series B redeemable preferred stock issued by Live Nation Holdco #2, Inc. with an aggregate liquidation preference of US\$20,000,000.

“Existing Senior Notes” means \$287.0 million aggregate outstanding principal amount of 10.75% Senior Notes due 2016 of the Parent Borrower (as successor to Ticketmaster).

“Existing Ticketmaster Credit Facility” means the Credit Agreement of Ticketmaster dated as of July 25, 2008.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day immediately succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100th of 1%) charged to JPMCB on such day on such transactions as determined by the Administrative Agent.

“Final Maturity Date” means, at any time, the latest of the Revolving Termination Date, the Term A Loan Termination Date, the Term B Loan Termination Date and any final maturity date applicable to any outstanding Incremental Term Loans at such time.

“First-Tier Foreign Subsidiary” means any Foreign Subsidiary that is owned directly by a Domestic Credit Party.

“Foreign Borrower Agreement” means a Foreign Borrower Agreement substantially in the form of Exhibit 1.01A hereto.

“Foreign Borrower Termination” means a Foreign Borrower Termination substantially in the form of Exhibit 1.01B hereto.

“Foreign Borrowers” means each Subsidiary of the Parent Borrower that becomes a Foreign Borrower pursuant to Section 1.08, in each case together with its successors and, in each case, that has not ceased to be a Foreign Borrower as provided in Section 1.08.

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“Foreign Collateral Document” means each pledge, security or guarantee agreement or trust deed among the Collateral Agent and one or more Foreign Credit Parties that is reasonably acceptable to the Collateral Agent.

“Foreign Credit Party” means any Credit Party other than a Domestic Credit Party.

“Foreign Guarantee Agreement” has the meaning specified in Section 5.03(c).

“Foreign Guaranteed Obligations” has the meaning specified in Section 5.03(c).

“Foreign Guarantor” means any Guarantor that is a Foreign Subsidiary.

“Foreign Lender” means any Lender or L/C Issuer that is not a United States person under Section 7701(a)(30) of the Internal Revenue Code.

“Foreign Obligations” means the Obligations of the Foreign Borrowers and the Foreign Guarantors.

“Foreign Subsidiary” means (i) any Subsidiary that is not incorporated, formed or organized under the laws of the United States of America, any State thereof, or the District of Columbia and (ii) any Subsidiary of a Subsidiary described in the foregoing clause (i).

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

“Fund” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

“Funded Debt” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations for borrowed money, whether current or long-term (including the Loan Obligations hereunder), and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all purchase money indebtedness (including indebtedness and obligations in respect of conditional sales and title retention arrangements, except for customary conditional sales and title retention arrangements with suppliers that are entered into in the ordinary course of business) and all indebtedness and obligations in respect of the deferred purchase price of property or services (other than trade accounts payable incurred in the ordinary course of business);

(c) all direct obligations under letters of credit (including standby and commercial), bankers’ acceptances and similar instruments;

(d) the Attributable Principal Amount of capital leases;

(e) the amount of all obligations of such person with respect to the redemption, repayment or other repurchase of any Disqualified Capital Stock (excluding accrued dividends that have not increased the liquidation preference of such Disqualified Capital Stock);

(f) Support Obligations in respect of Funded Debt of another Person; and

(g) Funded Debt of any partnership or joint venture or other similar entity in which such Person is a general partner or joint venturer, and has personal liability for such obligations, but only to the extent there is recourse to such Person for payment thereof;

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; provided, however, that the indebtedness of a Subsidiary of the Parent Borrower that is non-recourse to the Credit Parties and whose net income is excluded in the calculation of Consolidated Net Income due to the operation of clause (ii) of the definition thereof shall be excluded.

For purposes hereof, the amount of Funded Debt shall be determined (i) based on the outstanding principal amount in the case of borrowed money indebtedness under clause (a) and purchase money indebtedness and the deferred purchase obligations under clause (b), (ii) based on the maximum face amount in the case of letter of credit obligations and the other obligations under clause (c), and (iii) based on the amount of Funded Debt that is the subject of the Support Obligations in the case of Support Obligations under clause (f). Unless otherwise specified, all references herein to the amount of a Letter of Credit at any time shall be deemed to mean the maximum face amount of such Letter of Credit after giving effect to all increases thereof contemplated by such Letter of Credit or the L/C Application therefor, whether or not such maximum face amount is in effect at such time.

“GAAP” has the meaning provided in Section 1.03(a).

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Granting Lender” has the meaning provided in Section 11.06(h).

“Guaranteed Obligations” shall mean the Domestic Guaranteed Obligations and the Foreign Guaranteed Obligations.

“Guarantors” means (a) as of the Closing Date, each Subsidiary of the Parent Borrower listed on Schedule 1.01C and (b) each other Person that becomes a Guarantor pursuant to the terms hereof, in each case together with its successors.

“Hazardous Materials” means all materials, substances or wastes characterized, classified or regulated as hazardous, toxic, pollutant, contaminant or radioactive under Environmental Laws, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes.

“Hedge Bank” has the meaning provided in the definition of “Borrower Obligations.”

“HOBE Excluded Assets” means the assets listed on Schedule 1.01D hereto.

“Holdco #2 Merger” means the merger of a wholly owned subsidiary of Live Nation Worldwide, Inc. with and into Live Nation Holdco #2, Inc.

“Honor Date” has the meaning provided in Section 2.03(c)(i).

“Immaterial Subsidiary” means, at any date of determination, any Subsidiary of the Parent Borrower designated as such in writing by the Parent Borrower that had assets representing 1.0% or less of the Parent Borrower’s Consolidated Total Assets on, and generated less than 1.0% of the Parent Borrower’s and its Subsidiaries’ total revenues for the four quarters ending on, the last day of the most recent period at the end of which financial statements were required to be delivered pursuant to Section 7.01(a) or (b) or, if such date of determination is prior to the first delivery date under such Sections, on (or, in the case of revenues, for the four quarters ending on) the last day of the period of the most recent financial statements referred to in the first sentence of Section 6.05; provided that if all Domestic Subsidiaries that are individually “Immaterial Subsidiaries” have aggregate Total Assets that would represent 5.0% or more of the Parent Borrower’s Consolidated Total Assets on such last day or generated 5.0% or more of the Parent Borrower’s and its Subsidiaries’ total revenues for such four fiscal quarters, then such number of Domestic Subsidiaries of the Parent Borrower as are necessary shall become Material Subsidiaries so that Domestic

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Subsidiaries that are “Immaterial Subsidiaries” have in the aggregate Total Assets that represent less than 5.0% of the Parent Borrower’s Consolidated Total Assets and less than 5.0% of the Parent Borrower’s and its Subsidiaries’ total revenues as of such last day or for such four quarters, as the case may be (it being understood that any such determination with respect to revenues and assets shall be made on a Pro Forma Basis).

“Incremental Loan Facilities” has the meaning provided in Section 2.01(f).

“Incremental Revolving Commitments” has the meaning provided in Section 2.01(f).

“Incremental Term Loan” has the meaning provided in Section 2.01(f).

“Incremental Term Loan Joinder Agreement” means a lender joinder agreement, in a form reasonably satisfactory to the Administrative Agent, the Parent Borrower and each Lender extending Incremental Term Loans, executed and delivered in accordance with the provisions of Section 2.01(h).

“Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all Funded Debt;

(b) net obligations under Swap Contracts;

(c) Support Obligations in respect of Indebtedness of another Person; and

(d) Indebtedness of any partnership or joint venture or other similar entity in which such Person is a general partner or joint venturer, and has personal liability for such obligations, but only to the extent there is recourse to such Person for payment thereof.

For purposes hereof, the amount of Indebtedness shall be determined (i) based on Swap Termination Value in the case of net obligations under Swap Contracts under clause (b) and (ii) based on the outstanding principal amount of the Indebtedness that is the subject of the Support Obligations in the case of Support Obligations under clause (c).

“Indemnified Taxes” means Taxes other than Excluded Taxes.

“Indemnitee” has the meaning provided in Section 11.04(b).

“Information” has the meaning provided in Section 11.07.

“Interest Payment Date” means, (a) as to any Base Rate Loan (including Swingline Loans), the last Business Day of each March, June, September and December, the Revolving Termination Date and the date of the final principal amortization payment on the Term A Loans or Term B Loans, as applicable, and, in the case of any Swingline Loan, any other dates as may be mutually agreed upon by the Parent Borrower and the Swingline Lender, and (b) as to any Eurodollar Rate Loan, the last Business Day of each Interest Period for such Loan, the date of repayment of principal of such Loan, the Revolving Termination Date and the date of the final principal amortization payment on the Term A Loans or Term B Loans, as applicable, and in addition, where the applicable Interest Period exceeds three (3) months, the date every three (3) months after the beginning of such Interest Period. If an Interest Payment Date falls on a date that is not a Business Day, such Interest Payment Date shall be deemed to be the immediately succeeding Business Day.

“Interest Period” means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one week or one (1), two (2), three (3) or six (6) and, with prior written consent of all applicable Lenders, nine (9) or twelve (12) months thereafter, as selected by the Parent Borrower in its Loan Notice or such other period that is twelve months or less requested by the Parent Borrower and consented to by all the directly affected Lenders; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the immediately succeeding Business Day unless such Business Day falls in another calendar month (or, in the case of one week Interest Periods, another calendar week), in which case such Interest Period shall end on the immediately preceding Business Day;

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

(c) no Interest Period with respect to any Revolving Loan shall extend beyond the Revolving Termination Date; and

(d) no Interest Period with respect to the Term A Loans or Term B Loans shall extend beyond any principal amortization payment date for such Loans, except to the extent that the portion of such Loan comprised of Eurodollar Rate Loans that is expiring prior to the applicable principal amortization payment date plus the portion comprised of Base Rate Loans equals or exceeds the principal amortization payment then due.

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

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person of or in the Capital Stock, Indebtedness or other equity or debt interest of another Person, whether by means of (a) the purchase or other acquisition of Capital Stock of another Person, (b) a loan, advance or capital contribution to, guaranty or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor undertakes any Support Obligation with respect to Indebtedness of such other Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“Involuntary Disposition” means the receipt by any member of the Consolidated Group of any cash insurance proceeds or condemnation awards payable by reason of theft, loss, physical destruction or damage, loss of use, taking or similar event with respect to any of its Property.

“IP Rights” has the meaning provided in Section 6.20.

“IRS” means the United States Internal Revenue Service.

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

“Issuer Documents” means, with respect to any Letter of Credit, the L/C Application and any other document, agreement or instrument (including such Letter of Credit) entered into by a Borrower and an L/C Issuer (or in favor of an L/C Issuer) relating to such Letter of Credit.

“Japanese Yen” or “¥” means the lawful currency of Japan.

“Joinder Agreement” means a joinder agreement substantially in the form of Exhibit 7.12, executed and delivered in accordance with the provisions of Section 7.12.

“JPMCB” means JPMorgan Chase Bank, N.A.

“JPME” means J.P. Morgan Europe Limited.

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“JPMorgan” means J.P. Morgan Securities Inc.

“Laws” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes, executive orders and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, licenses, authorizations and permits of, and agreements with, any Governmental Authority, including, without limitation, Environmental Laws.

“L/C Advance” means, with respect to each Lender, such Lender’s funding of its participation in any L/C Borrowing.

“L/C Application” means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the applicable L/C Issuer.

“L/C Borrowing” means any extension of credit resulting from a drawing under any Letter of Credit that has not been reimbursed.

“L/C Commitment” means, with respect to the Dollar L/C Issuer or the Multicurrency L/C Issuer, the commitment of the Dollar L/C Issuer or the Multicurrency L/C Issuer to issue and to honor payment obligations under Letters of Credit and, with respect to each Revolving Lender, the commitment of such Revolving Lender to purchase participation interests in L/C Obligations up to the Dollar Equivalent of such Lender’s Limited Currency Revolving Commitment Percentage thereof, in each case to the extent provided in Section 2.03(c).

“L/C Commitment Percentage” means, as to each L/C Revolving Lender at any time, a fraction (expressed as a percentage carried to the ninth decimal place), the numerator of which is the sum of such L/C Revolving Lender’s Limited Currency Revolving Committed Amount and such L/C Revolving Lender’s Dollar Revolving Committed Amount at such time and the denominator of which is the L/C Committed Amount at such time.

“L/C Committed Amount” means, at any time, the sum of the Aggregate Limited Currency Committed Amount plus the Aggregate Dollar Revolving Committed Amount at such time and as to any L/C Revolving Lender, its L/C Commitment Percentage of the L/C Committed Amount; provided that for the avoidance of doubt, the L/C Sublimit shall govern the maximum amount of L/C Obligations that may be outstanding pursuant to Section 2.01(b).

“L/C Credit Extension” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“L/C Expiration Date” means the day that is seven (7) days prior to the Revolving Termination Date then in effect (or, if such day is not a Business Day, the immediately preceding Business Day).

“L/C Issuer” means a Dollar L/C Issuer or a Multicurrency L/C Issuer, and “L/C Issuers” means, collectively, each Dollar L/C Issuer and Multicurrency L/C Issuer.

“L/C Obligation” means a Dollar Facility L/C Obligation or a Limited Currency Facility L/C Obligation, as the context may require, and “L/C Obligations” means Dollar Facility L/C Obligations and Limited Currency Facility L/C Obligations, collectively.

“L/C Revolving Lender” means a Dollar Revolving Lender or a Limited Currency Revolving Lender, and the “L/C Revolving Lenders” refers to the Dollar Revolving Lenders and the Limited Currency Revolving Lenders, collectively.

“L/C Sublimit” has the meaning provided in Section 2.01(b).

“Lead Arrangers” means JPMorgan, Goldman Sachs Lending Partners LLC and Deutsche Bank Securities Inc.

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“Lender” means each of the Persons identified as a “Lender” on the signature pages hereto (and, as appropriate, includes the Swingline Lender) and each Person who joins as a Lender pursuant to the terms hereof, together with its successors and permitted assigns.

“Lending Office” means, as to any Lender, the office or offices of such Lender set forth in such Lender’s Administrative Questionnaire or such other office or offices as a Lender may from time to time provide notice of to the Parent Borrower and the Administrative Agent.

“Letter of Credit” means an Existing Letter of Credit or any letter of credit issued pursuant to this Credit Agreement.

“Letter of Credit Cap” means the amount set forth opposite each L/C Issuer on Schedule 1.01F; provided that such Schedule may be revised from time to time by the Parent Borrower, the Administrative Agent and such L/C Issuer to change such L/C Issuer’s Letter of Credit Cap or by the Parent Borrower, the Administrative Agent and any new L/C Issuer to establish a Letter of Credit Cap for such new L/C Issuer.

“Letter of Credit Fee” has the meaning provided in Section 2.09(b).

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property and any financing lease having substantially the same economic effect as any of the foregoing).

“Limited Currency Facility L/C Obligations” means, at any date of determination, the Limited Currency Facility Percentage multiplied by the sum of (x) the aggregate Dollar Equivalent amount available to be drawn under all outstanding Letters of Credit at such date plus (y) the aggregate Dollar Equivalent of all L/C Borrowings at such date. For all purposes of this Credit 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 Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“Limited Currency Facility Percentage” means, at any time, a fraction (expressed as a percentage carried to the ninth decimal place), the numerator of which is the Aggregate Limited Currency Revolving Committed Amount at such time and the denominator of which is the L/C Committed Amount at such time.

“Limited Currency Revolving Commitment” means, for each Lender, the commitment of such Lender to make Limited Currency Revolving Loans (and to share in Limited Currency Revolving Obligations) hereunder.

“Limited Currency Revolving Commitment Percentage” means, for each Limited Currency Revolving Lender, a fraction (expressed as a percentage carried to the ninth decimal place), the numerator of which is such Limited Currency Revolving Lender’s Limited Currency Revolving Committed Amount and the denominator of which is the Aggregate Limited Currency Revolving Committed Amount. The initial Limited Currency Revolving Commitment Percentages are set forth in Schedule 2.01.

“Limited Currency Revolving Committed Amount” means, for each Limited Currency Revolving Lender, the amount of such Lender’s Limited Currency Revolving Commitment. The initial Limited Currency Revolving Committed Amounts are set forth in Schedule 2.01.

“Limited Currency Revolving Facility” means the Aggregate Limited Currency Revolving Commitments and the provisions herein related to the Limited Currency Revolving Loans and Letters of Credit.

“Limited Currency Revolving Lenders” means those Lenders with Limited Currency Revolving Commitments, together with their successors and permitted assigns. The initial Limited Currency Revolving Lenders are identified in Schedule 2.01.

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“Limited Currency Revolving Loan” has the meaning provided in Section 2.01(a)(ii).

“Limited Currency Revolving Notes” means the promissory notes, if any, given to evidence the Limited Currency Revolving Loans, as amended, restated, modified, supplemented, extended, renewed or replaced. A form of Limited Currency Revolving Note is attached as Exhibit 2.13-2.

“Limited Currency Revolving Obligations” means the Limited Currency Revolving Loans and the Limited Currency Facility L/C Obligations.

“Live Nation Merger Agreement” means the Agreement and Plan of Merger, dated as of February 10, 2009, among Ticketmaster, the Parent Borrower and Live Nation Merger Sub.

“Live Nation Merger Sub” means an indirect wholly-owned Subsidiary of the Parent Borrower formed in connection with the Ticketmaster Merger.

“Loan” means any Revolving Loan, Swingline Loan, Term A Loan, Term B Loan or Incremental Term Loan, and the Base Rate Loans and Eurodollar Rate Loans comprising such Loans.

“Loan Notice” means a notice of (a) a Borrowing of Loans (including Swingline Loans), (b) a conversion of Loans from one (1) Type to the other, or (c) a continuation of Eurodollar Rate Loans, which shall be substantially in the form of Exhibit 2.02.

“Loan Obligations” means the Revolving Obligations, Term A Loans, Term B Loans and Incremental Term Loans.

“Local Time” means (a) with respect to a Loan or Borrowing denominated in Dollars, New York City time, (b) with respect to a Loan or Borrowing denominated in Canadian Dollars or a B/A, Toronto time and (c) with respect to a Loan or Borrowing denominated in any other Approved Currency, London time.

“London Agent” means JPME, in its capacity as London agent for the Lenders hereunder, or any successor London agent.

“Major Disposition” means any Subject Disposition (or any series of related Subject Dispositions) or any Involuntary Disposition (or any series of related Involuntary Dispositions), in each case resulting in the receipt by one or more members of the Consolidated Group of Net Cash Proceeds in excess of \$50.0 million.

“Mandatory Cost Rate” has the meaning provided in Schedule 3.08.

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect upon, the operations, business, assets, properties, liabilities (actual or contingent) or financial condition of the Parent Borrower and its Subsidiaries, taken as a whole; (b) a material impairment of the rights and remedies of any Agent or any Lender under any material Credit Document; or (c) a material adverse effect upon the legality, validity, binding effect or the enforceability against any Credit Party of any material Credit Document to which it is a party.

“Material Subsidiary” means each Subsidiary of the Parent Borrower other than an Excluded Subsidiary.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Multicurrency L/C Issuer” means JPMCB and Deutsche Bank AG, New York Branch, each in its capacity as issuer of Letters of Credit hereunder, together with their respective successors in such capacity and any Limited Currency Revolving Lender approved by the Administrative Agent and the Parent Borrower and any issuer of any Existing Letter of Credit that is also a Limited Currency Revolving Lender; provided that no other Lender shall be obligated to become an L/C Issuer hereunder. References herein and in the other Credit Documents to the Multicurrency L/C Issuer shall be deemed to refer to the Multicurrency L/C Issuer in respect of the applicable Letter of Credit or to all Multicurrency L/C Issuers, as the context requires. For the avoidance of doubt, until such time as



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each of Bank of America, N.A., the Administrative Agent and the Parent Borrower otherwise elect, Bank of America, N.A. shall serve as a Multicurrency L/C Issuer solely with respect to the Existing Letters of Credit issued by it (and no amendments, extensions or increases thereof unless consented to by Bank of America, N.A.).

“Multicurrency Revolving Commitment” means, for each Lender, the commitment of such Lender to make Multicurrency Revolving Loans hereunder and to accept or arrange for the purchase of B/As pursuant to Section 2.15.

“Multicurrency Revolving Commitment Percentage” means, for each Multicurrency Revolving Lender, a fraction (expressed as a percentage carried to the ninth decimal place), the numerator of which is such Multicurrency Revolving Lender’s Multicurrency Revolving Committed Amount and the denominator of which is the Aggregate Multicurrency Revolving Committed Amount. The initial Multicurrency Revolving Commitment Percentages are set forth in Schedule 2.01.

“Multicurrency Revolving Committed Amount” means, for each Multicurrency Revolving Lender, the amount of such Lender’s Multicurrency Revolving Commitment. The initial Multicurrency Revolving Committed Amounts are set forth in Schedule 2.01.

“Multicurrency Revolving Facility” means the Aggregate Multicurrency Revolving Commitments and the provisions herein related to the Multicurrency Revolving Loans, Multicurrency Facility Letters of Credit and B/As.

“Multicurrency Revolving Lenders” means those Lenders with Multicurrency Revolving Commitments, together with their successors and permitted assigns. The initial Multicurrency Revolving Lenders are identified in Schedule 2.01.

“Multicurrency Revolving Loan” has the meaning provided in Section 2.01(a)(iii).

“Multicurrency Revolving Notes” means the promissory notes, if any, given to evidence the Multicurrency Revolving Loans, as amended, restated, modified, supplemented, extended, renewed or replaced. A form of Multicurrency Revolving Note is attached as Exhibit 2.13-3.

“Multicurrency Revolving Obligations” means the Multicurrency Revolving Loans and the B/A Obligations.

“Multiemployer Plan” means any employee pension benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Parent Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

“Net Cash Proceeds” means the aggregate proceeds paid in cash or Cash Equivalents received by any member of the Consolidated Group in connection with any Subject Disposition, Involuntary Disposition or incurrence of Indebtedness or issuance of Capital Stock, net of (a) attorneys’ fees, accountants’ fees, investment banking fees, sales commissions, underwriting discounts, survey costs, title insurance premiums, and related search and recording charges, transfer taxes, deed or mortgage recording taxes, required debt payments and required payments of other obligations relating to the applicable asset to the extent such debt or obligations are secured by a Lien permitted hereunder (other than a Lien granted pursuant to a Credit Document) on such asset, other customary expenses and brokerage, consultant and other customary fees and expenses, in each case, actually incurred in connection therewith and directly attributable thereto, (b) Taxes paid or payable as a result thereof (estimated reasonably and in good faith by the Parent Borrower and after taking into account any available tax credits or deductions and any tax sharing arrangements) and (c) solely with respect to a Subject Disposition, the amount of any reasonable reserve established in accordance with GAAP against any adjustment to the sale price or any liabilities (other than any taxes deducted pursuant to clause (b) above) (i) related to any of the Property Disposed of in such Subject Disposition and (ii) retained by the Parent Borrower or any of the Subsidiaries including pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations (provided, however, the amount of any subsequent reduction of such reserve (other than in connection with a payment in respect of any such liability) shall be deemed to be Net Cash Proceeds from and after the date of such reduction). For purposes

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hereof, “Net Cash Proceeds” includes any cash or Cash Equivalents received upon the Disposition of any non-cash consideration received by any member of the Consolidated Group in any Subject Disposition or Involuntary Disposition.

“New Senior Notes” means the Parent Borrower’s 8.125% Senior Notes due 2018 in an aggregate principal amount of \$250.0 million to be issued on or prior to the Closing Date.

“New York UCC” means the Uniform Commercial Code as from time to time in effect in the State of New York.

“Non-Bank Certificate” has the meaning provided in Section 3.01(e).

“Non-Extension Notice Date” has the meaning provided in Section 2.03(b)(iii).

“Notes” means the Revolving Notes, the Swingline Note, the Term A Notes and the Term B Notes.

“Obligations” means the Borrower Obligations and the Guaranteed Obligations.

“OID” has the meaning provided in Section 2.01(h).

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

“Other Taxes” means all present or future stamp or documentary Taxes or any other excise or property Taxes arising from any payment made hereunder or under any other Credit Document or from the execution, delivery, registration or enforcement of, or otherwise with respect to, this Credit Agreement or any other Credit Document.

“Outstanding Amount” means (a) with respect to Revolving Loans on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any Borrowings and prepayments or repayments of Revolving Loans occurring on such date; (b) with respect to Swingline Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any Borrowings and prepayments or repayments of Swingline Loans occurring on such date; (c) with respect to any B/A Obligations on any date, the Dollar Equivalent amount of the aggregate face amount of the B/As accepted hereunder and outstanding at such time after giving effect to any B/A Drawings occurring as such date and any other changes in such amount on such date, including as a result of any reimbursements by a Canadian Borrower of any B/As; (d) with respect to any L/C Obligations on any date, the Dollar Equivalent amount of the aggregate outstanding amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by any Borrower of Unreimbursed Amounts; and (e) with respect to the Term A Loans or Term B Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any prepayments or repayments of the Term A Loans or Term B Loans on such date.

“Overnight Rate” means, for any day, (a) with respect to any amount denominated in Dollars, the Federal Funds Rate, and (b) with respect to any amount denominated in an Alternative Currency, the rate of interest per annum at which overnight deposits in the applicable Alternative Currency, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of JPMCB in the applicable offshore interbank market for such currency to major banks in such interbank market.

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“Parent Borrower” has the meaning provided in the recitals hereto, together with its successors and permitted assigns pursuant to Section 8.04.

“Participant” has the meaning provided in Section 11.06(d).

“Participant Register” has the meaning provided in Section 11.06(d).

“Participating Member State” means each state so described in any EMU Legislation.

“Patriot Act” means the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“PBGC” means the Pension Benefit Guaranty Corporation.

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

“Perfection Certificate” means that certain perfection certificate dated the date hereof, executed and delivered by the Parent Borrower in favor of the Collateral Agent for the benefit of the holders of the Obligations, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time.

“Permitted Acquisition” means any Acquisition; provided that (i) no Default or Event of Default shall have occurred and be continuing or exist immediately after giving effect to such Acquisition, (ii) after giving effect on a Pro Forma Basis to the Investment to be made, as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10 (and if such Acquisition involves consideration greater than \$50.0 million, then the Parent Borrower shall deliver a certificate of a Responsible Officer of the Parent Borrower as to the satisfaction of the requirements in this clause (ii)) and (iii) if such Acquisition involves consideration in excess of \$50.0 million (or if the total of all consideration for all Acquisitions since the Closing Date exceeds \$100.0 million), all assets acquired in such Acquisition shall be held by a Domestic Credit Party and all Persons acquired in such Acquisition shall become Domestic Guarantors; provided further that the Parent Borrower may elect to allocate consideration expended in such Acquisition for Property to be held by members of the Consolidated Group that are not Domestic Credit Parties or Acquisitions of Subsidiaries that are not Domestic Guarantors to Investments made pursuant to Sections 8.02(f), (k) or, to the extent the consideration comes from a Foreign Subsidiary, Section 8.02(g), so long as capacity to make such Investments pursuant to the applicable Section is available at the time of such allocation (and any consideration so allocated shall reduce capacity for Investments pursuant to such Sections to the extent that capacity for such Investments are limited by such Sections), and to the extent such consideration is in fact so allocated to one of such Sections in accordance with the foregoing requirements, such consideration shall not count toward the \$50.0 million and \$100.0 million limitations set forth in this clause (iii). Notwithstanding any provision herein to the contrary, clauses (ii) and (iii) shall not apply to Excluded Acquisitions.

“Permitted Business” means the businesses of the Parent Borrower and its Subsidiaries conducted on the Closing Date and any business reasonably related, ancillary or complementary thereto and any reasonable extension thereof.

“Permitted Deposits” means, with respect to the Parent Borrower or any of its Subsidiaries, cash or cash equivalents (and all accounts and other depositary arrangements with respect thereto) securing customary obligations of such Person that are incurred in the ordinary course of business in connection with promoting or producing live entertainment events.

“Permitted Liens” means Liens permitted pursuant to Section 8.01.

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

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

“Platform” has the meaning provided in Section 7.02.

“Prepayment Account” has the meaning provided in Section 2.06(c)(iii).

“Pro Forma Basis” means, with respect to any Subject Disposition, Specified Disposition, Acquisition, Incremental Loan Facilities, the Transactions or the Ticketmaster Merger, for purposes of determining the applicable pricing level under the definition of “Applicable Percentage” and determining compliance with the financial covenants and conditions and the requirements of the definition of “Immaterial Subsidiary” hereunder, that such Subject Disposition, Specified Disposition, Acquisition, Incremental Loan Facilities, the Transactions or the Ticketmaster Merger shall be deemed to have occurred as of the first day of the applicable period of four (4) consecutive fiscal quarters, after giving effect to any Pro Forma Cost Savings. Further, for purposes of making calculations on a “Pro Forma Basis” hereunder, (a) in the case of any Subject Disposition or Specified Disposition, (i) income statement items (whether positive or negative) attributable to the property, entities or business units that are the subject of such Subject Disposition or Specified Disposition shall be excluded to the extent relating to any period prior to the date thereof and (ii) Indebtedness paid or retired in connection with such Subject Disposition or Specified Disposition shall be deemed to have been paid and retired as of the first day of the applicable period; and (b) in the case of any Acquisition, (i) income statement items (whether positive or negative) attributable to the property, entities or business units that are the subject thereof shall be included to the extent relating to any period prior to the date thereof and (ii) Indebtedness incurred in connection with such Acquisition shall be deemed to have been incurred as of the first day of the applicable period (and interest expense shall be imputed for the applicable period assuming prevailing interest rates hereunder).

“Pro Forma Cost Savings” means, with respect to any period, the reduction in net costs and related adjustments, without duplication, that (i) were directly attributable to an Acquisition, Subject Disposition, Specified Disposition or the Ticketmaster Merger that occurred during the four-quarter reference period or subsequent to the four-quarter reference period and on or prior to the date of determination and calculated on a basis that is consistent with Regulation S-X under the Securities Laws, as amended and in effect and applied as of the date hereof, (ii) were actually implemented by the business that was the subject of any such Acquisition, Subject Disposition, Specified Disposition or the Ticketmaster Merger or actually implemented by the Parent Borrower and its Subsidiaries in connection with such Acquisition, Subject Disposition, Specified Disposition or the Ticketmaster Merger, in each case, within 12 months after the date of the Acquisition, Subject Disposition, Specified Disposition or the Ticketmaster Merger and prior to the date of determination that are supportable and quantifiable by the underlying accounting records of such business or (iii) relate to (A) the business that is the subject of or (B) the business of the Parent Borrower and its Subsidiaries arising from any such Acquisition, Subject Disposition, Specified Disposition or the Ticketmaster Merger and that the Parent Borrower reasonably determines are probable based upon specifically identifiable actions to be taken within 12 months of the date of the Acquisition, Subject Disposition, Specified Disposition or the Ticketmaster Merger and, in each case, are described, as provided below, in a certificate from a Responsible Officer of the Parent Borrower, as if all such reductions in costs had been effected as of the beginning of such period. Pro Forma Cost Savings described above shall be accompanied by a certificate from a Responsible Officer of the Parent Borrower delivered to the Administrative Agent that outlines the specific actions taken or to be taken, the net cost savings achieved or to be achieved from each such action and that, in the case of clause (iii) above, such savings have been determined to be probable; provided that such net costs and related adjustments (other than those related to the Ticketmaster Merger) referred to in clauses (ii) and (iii) shall not exceed \$20.0 million in any period for which Consolidated EBITDA is calculated plus, in the case of any net costs and related adjustments in connection with the Ticketmaster Merger only, an additional \$57.0 million.

“Pro Rata Share” means, with respect to each Lender at any time a fraction (expressed as a percentage, carried out to the ninth decimal place), the numerator of which is the amount of outstanding Term A Loans, Term B

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Loans, Dollar Revolving Commitments, Limited Currency Revolving Commitments or Multicurrency Revolving Commitments, as applicable, of such Lender at such time and the denominator of which is the aggregate amount of Term A Loans, Term B Loans, Dollar Revolving Commitments, Limited Currency Revolving Commitments or Multicurrency Revolving Commitments, as applicable, at such time; provided that if such Revolving Commitments have been terminated, then the Pro Rata Share of each applicable Lender shall be determined based on the Pro Rata Share of such Lender immediately prior to such termination and after giving effect to any subsequent assignments made pursuant to the terms hereof.

“Property” means an interest of any kind in any property or asset, whether real, personal or mixed, and whether tangible or intangible.

“Public Lender” has the meaning provided in Section 7.02.

“Qualified Capital Stock” means any Capital Stock of the Parent Borrower other than Disqualified Capital Stock.

“Register” has the meaning provided in Section 11.06(c).

“Registered Public Accounting Firm” has the meaning provided in the Securities Laws and shall be independent of the Parent Borrower as prescribed by the Securities Laws.

“Regulation D” means Regulation D of the Board of Governors of the Federal Reserve System of the United States as from time to time in effect and all official rulings and interpretations thereunder or thereof.

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty-day notice period to the PBGC has been waived by regulation.

“Request for Credit Extension” means (a) with respect to a Borrowing of Loans (including Swingline Loans) or B/A Drawing, a Loan Notice and (b) with respect to an L/C Credit Extension, a L/C Application.

“Required Dollar Revolving Lenders” means, as of any date of determination, Lenders having more than fifty percent (50%) of the Aggregate Dollar Revolving Commitments or, if the Dollar Revolving Commitments shall have expired or been terminated, Lenders holding more than fifty percent (50%) of the aggregate principal amount of Dollar Revolving Obligations (including, in each case, the aggregate principal amount of each Lender’s risk participation and funded participation in L/C Obligations and Swingline Loans).

“Required Lenders” means, as of any date of determination, Lenders having more than fifty percent (50%) of the sum of (i) the Term Loan Commitments (or, from and after the initial borrowings hereunder, the Term Loans) and (ii) the Aggregate Revolving Commitments (or, if the Revolving Commitments shall have expired or been terminated, the Revolving Obligations (including, in each case, the aggregate amount of each Lender’s risk participation and funded participation in L/C Obligations and Swingline Loans)).

“Required L/C Lenders” means, as of any date of determination, Lenders having more than fifty percent (50%) of the sum of the Aggregate Dollar Revolving Commitments and the Aggregate Limited Currency Revolving Commitments at such date or, if the Dollar Revolving Commitments and the Limited Currency Revolving Commitments if the Revolving Commitments shall have expired or been terminated, Lenders holding more than fifty percent (50%) of the aggregate principal amount of sum of the Dollar Revolving Obligations and Limited Currency Revolving Obligations (including, in each case, the aggregate principal amount of each Lender’s risk participation and funded participation in L/C Obligations and Swingline Loans).

“Required Limited Currency Revolving Lenders” means, as of any date of determination, Lenders having more than fifty percent (50%) of the Aggregate Limited Currency Revolving Commitments or, if the Limited

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Currency Revolving Commitments shall have expired or been terminated, Lenders holding more than fifty percent (50%) of the aggregate principal amount of Limited Currency Revolving Loans and B/A Drawings.

“Required Multicurrency Revolving Lenders” means, as of any date of determination, Lenders having more than fifty percent (50%) of the Aggregate Multicurrency Revolving Commitments or, if the Multicurrency Revolving Commitments shall have expired or been terminated, Lenders holding more than fifty percent (50%) of the aggregate principal amount of Multicurrency Revolving Loans and B/A Drawings.

“Required Revolving Lenders” means, as of any date of determination, Lenders having more than fifty percent (50%) of the Aggregate Revolving Commitments or, if the Revolving Commitments shall have expired or been terminated, Lenders holding more than fifty percent (50%) of the aggregate principal amount of Revolving Obligations (including, in each case, the aggregate principal amount of each Lender’s risk participation and funded participation in L/C Obligations and Swingline Loans).

“Required Term A Lenders” means, as of any date of determination, Lenders holding more than fifty percent (50%) of the aggregate principal amount of Term A Loan Commitments (or, from and after the initial borrowings hereunder, the Term A Loans).

“Required Term B Lenders” means, as of any date of determination, Lenders holding more than fifty percent (50%) of the aggregate principal amount of Term B Loan Commitments (or, from and after the initial borrowings hereunder, the Term B Loans).

“Responsible Officer” means, as to any Credit Party, the chief executive officer, chief operating officer, the president, any executive vice president, the chief financial officer, the chief accounting officer, the treasurer, any assistant treasurer, any vice president, any senior vice president, the secretary or the general counsel of such Credit Party, any manager of such Credit Party (if such Credit Party is a limited liability company) or the general partner of such Credit Party (if such Credit Party is a limited partnership). Any document delivered hereunder that is signed by a Responsible Officer of a Credit Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Credit Party, and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Credit Party.

“Restricted Payment” means (i) any dividend or other distribution (whether in cash, securities or other property) with respect to any Capital Stock of any member of the Consolidated Group, (ii) any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Capital Stock or of any option, warrant or other right to acquire any such Capital Stock or (iii) any payment or prepayment of principal on or redemption, repurchase or acquisition for value of, any Subordinated Debt of any member of the Consolidated Group or any Indebtedness of any member of the Consolidated Group incurred pursuant to (a) the Azoff Promissory Note, (b) the Senior Notes or the Convertible Notes, (c) Section 8.03(f) or (d) to the extent representing a refinancing of any Indebtedness described in the foregoing clause (b) or (c), Section 8.03(l) except, in each case, any scheduled payment of principal; provided that to the extent that any holder of Existing Convertible Notes shall require on July 15, 2014, July 15, 2017 or July 15, 2022 that the Parent Borrower repurchase any of such holder’s Existing Convertible Notes pursuant to the Existing Convertible Notes Indenture at 100% of principal thereof plus accrued interest (a “Required Convertible Repurchase”), such Required Convertible Repurchase shall not be deemed a Restricted Payment.

“Revaluation Date” means, with respect to (x) any Letter of Credit, each of the following: (i) each date of issuance of a Letter of Credit denominated in an Alternative Currency, (ii) each date of an amendment of any such Letter of Credit having the effect of increasing the amount thereof (solely with respect to the increased amount), (iii) each date of any payment by an L/C Issuer under any Letter of Credit denominated in an Alternative Currency and (iv) such additional dates as the Applicable Agent or the L/C Issuer shall determine or the Required Lenders shall require (y) any B/A Drawing, each of the following: (i) each date of a B/A Drawing, (ii) each date of an amendment of any such B/A having the effect of increasing the amount thereof (solely with respect to the increased amount), (iii) each date of any payment by a Canadian Borrower under any B/A, and (iv) such additional dates as the Applicable Agent or the Required Multicurrency Revolving Lenders shall require and (z) any Revolving Loan, each of the following: (i) each date of Borrowing of a Revolving Loan denominated in an Alternative Currency, (ii)

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each date of any payment by any Revolving Lender under any Revolving Loan denominated in an Alternative Currency and (iii) such additional dates as the Applicable Agent or the Required Revolving Lenders shall require.

“Revolving CAM Exchange” means the exchange of the Revolving Lenders’ interests in the Designated Revolving Obligations provided for in Section 2.14.

“Revolving CAM Exchange Date” means the first date after the Closing Date on which there shall occur (a) any event described in Section 9.01(f) or (h) with respect to the Parent Borrower or (b) an acceleration of Revolving Loans or termination of the Revolving Commitments pursuant to Section 9.02.

“Revolving CAM Percentage” means, as to each Revolving Lender, a fraction, expressed as a decimal, of which (a) the numerator shall be the Revolving Commitments of such Revolving Lender immediately prior to the Revolving CAM Exchange Date and any termination of Revolving Commitments and (b) the denominator shall be the Aggregate Revolving Commitments of all Revolving Lenders immediately prior to the Revolving CAM Exchange Date and any termination of Revolving Commitments.

“Revolving Commitment” means, as to each Lender, the sum of such Lender’s Dollar Revolving Commitment, Limited Currency Revolving Commitment and Multicurrency Revolving Commitment and “Revolving Commitments” means, collectively, the Dollar Revolving Commitments, Limited Currency Revolving Commitments and Multicurrency Revolving Commitments of all Revolving Lenders.

“Revolving Committed Amount” means, as to each Lender, the sum of such Lender’s Dollar Revolving Committed Amount, Limited Currency Revolving Committed Amount and Multicurrency Revolving Committed Amount.

“Revolving Facility” means the Dollar Revolving Facility, the Limited Currency Revolving Facility or the Multicurrency Revolving Facility and “Revolving Facilities” means, collectively, the Dollar Revolving Facility, the Limited Currency Revolving Facility and the Multicurrency Revolving Facility.

“Revolving Lender” means a Dollar Revolving Lender, a Limited Currency Revolving Lender or a Multicurrency Revolving Lender and “Revolving Lenders” means the collective reference to the Dollar Revolving Lenders, the Limited Currency Revolving Lenders and the Multicurrency Revolving Lenders.

“Revolving Lender Joinder Agreement” means a joinder agreement, in a form to be agreed among the Administrative Agent, the Parent Borrower and each Lender with an Incremental Revolving Commitment, executed and delivered in accordance with the provisions of Section 2.01(f).

“Revolving Loan” means a Dollar Revolving Loan, a Limited Currency Revolving Loan or a Multicurrency Revolving Loan and “Revolving Loans” means, collectively, Dollar Revolving Loans, Limited Currency Revolving Loans and Multicurrency Revolving Loans.

“Revolving Notes” means the collective reference to the Dollar Revolving Notes, the Limited Currency Revolving Notes and the Multicurrency Revolving Notes.

“Revolving Obligations” means the collective reference to the Dollar Revolving Obligations, the Limited Currency Revolving Obligations and the Multicurrency Revolving Obligations.

“Revolving Termination Date” means the fifth anniversary of the Closing Date.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc. and any successor thereto.

“Sale and Leaseback Transaction” means, with respect to the Parent Borrower or any Subsidiary, any arrangement, directly or indirectly, with any Person (other than a Domestic Credit Party) whereby the Parent Borrower or such Subsidiary shall sell or transfer any property, real or personal, used or useful in its business, whether now

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owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

“Same Day Funds” means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the Applicable Agent or the applicable L/C Issuer, as applicable, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

“Sarbanes-Oxley” means the Sarbanes-Oxley Act of 2002.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Securities Laws” means the Securities Act of 1933, the Securities Exchange Act of 1934, Sarbanes-Oxley and the applicable accounting and auditing principles, rules, standards and practices promulgated, approved or incorporated by the SEC or the Public Company Accounting Oversight Board, as each of the foregoing may be amended and in effect on any applicable date hereunder.

“Senior Indebtedness” means Indebtedness of the Parent Borrower or any of its Subsidiaries that is not expressly subordinated in right of payment to any other Indebtedness of Parent Borrower or any of its Subsidiaries.

“Senior Notes” means the Existing Senior Notes and the New Senior Notes, collectively.

“Senior Secured Debt” means, at any time, Consolidated Total Funded Debt that constitutes Senior Indebtedness secured by a Lien on any Collateral.

“Senior Secured Leverage Ratio” means, as of the last day of any fiscal quarter, the ratio of (i) Senior Secured Debt on such day to (ii) Consolidated EBITDA of the Consolidated Group for the period of four (4) consecutive fiscal quarters ending on such day.

“Significant Subsidiary” means (1) any Subsidiary that satisfies the criteria for a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X under the Securities Laws, as such Regulation is in effect on the Closing Date (with the references to 10% in such Rule being deemed to be 5.0% for the purposes of this definition), and (2) any Subsidiary that, when aggregated with all other Subsidiaries that are not otherwise Significant Subsidiaries and as to which any event described in Section 9.01(f) or (h) has occurred and is continuing, would constitute a Significant Subsidiary under clause (1) of this definition.

“Solvent” means, with respect to any Person, as of any date of determination, (a) the Fair Value and Present Fair Saleable Value of the aggregate assets of such Person exceeds the value of its Liabilities; (b) such Person will not have, as of such date, an unreasonably small amount of capital with which to conduct its business; (c) such Person will be able to pay its Liabilities as they mature or become absolute; and (d) the Fair Value and Present Fair Saleable Value of the aggregate assets of such Person exceeds the value of its Liabilities by an amount that is not less than the capital of such Subject Entity (as determined pursuant to Section 154 of the Delaware General Corporate Law). The term “Solvency” shall have an equivalent meaning. For the purposes of this definition, “Fair Value” means the aggregate amount at which the assets of the applicable entity (including goodwill) would change hands between a willing buyer and a willing seller, within a commercially reasonable amount of time, each having reasonable knowledge of the relevant facts, neither being under any compulsion to act and with equity to both; “Present Fair Saleable Value” means the aggregate amount of net consideration (giving effect to reasonable and customary costs of sale or taxes) that could be expected to be realized if the aggregate assets of the applicable entity are sold with reasonable promptness in an arm’s length transaction under present conditions for the sale of assets of comparable business enterprises; and “Liabilities” means all debts and other liabilities of the applicable entity, whether secured, unsecured, fixed, contingent, accrued or not yet accrued.

“SPC” has the meaning provided in Section 11.06(h).



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“Specified Disposition” means any Disposition referred to in clause (a) of the definition of Subject Disposition, to the extent a material amount of Property is disposed of in such Disposition.

“Specified Intercompany Transfers” means a Disposition of Property by a Domestic Credit Party to a member of the Consolidated Group that is not a Domestic Credit Party.

“Spot Rate” for a currency means the rate determined by the Applicable Agent or an L/C Issuer, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. (x) New York time, in the case of Canadian Dollars, or (y) London time, in the case of any other currency, in each case on the date two (2) Business Days prior to the date as of which the foreign exchange computation is made; provided that the Applicable Agent or such L/C Issuer may obtain such spot rate from another financial institution designated by the Applicable Agent or such L/C Issuer if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency; and provided further that such L/C Issuer may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in an Alternative Currency.

“Statutory Reserves” means (a) for any Interest Period for any Eurodollar Rate Loan in dollars, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves) are required to be maintained during such Interest Period under Regulation D by member banks of the United States Federal Reserve System in New York City with deposits exceeding one billion dollars against “Eurocurrency liabilities” (as such term is used in Regulation D), (b) for any Interest Period for any portion of a Borrowing in Swiss Francs, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves), if any, are in effect on such day for funding in Swiss Francs maintained by commercial banks which lend in Swiss Francs, (c) for any Interest Period for any portion of a Borrowing in Sterling, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves), if any, are in effect on such day for funding in Sterling maintained by commercial banks which lend in Sterling, (d) for any Interest Period for any portion of a Borrowing in Euros, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves), if any, are in effect on such day for funding in Euros maintained by commercial banks which lend in Euros, (e) for any Interest Period for any portion of a Borrowing in Swedish Krona, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves), if any, are in effect on such day for funding in Swedish Krona maintained by commercial banks which lend in Swedish Krona, (f) for any Interest Period for any portion of a Borrowing in Australian Dollars, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves), if any, are in effect on such day for funding in Australian Dollars maintained by commercial banks which lend in Australian Dollars and (g) for any Interest Period for any portion of a Borrowing in Japanese Yen, the average maximum rate at which reserves (including any marginal, supplemental or emergency reserves), if any, are in effect on such day for funding in Japanese Yen maintained by commercial banks which lend in Japanese Yen. Eurodollar Loans shall be deemed to constitute Eurodollar liabilities and to be subject to such reserve requirements without benefit of or credit for proration, exceptions or offsets which may be available from time to time to any Lender under Regulation D.

“Sterling” and “£” mean the lawful currency of the United Kingdom.

“Subject Disposition” means any Disposition other than (a) Dispositions of damaged, worn-out or obsolete Property that, in the Parent Borrower’s reasonable judgment, is no longer used or useful in the business of the Parent Borrower or its Subsidiaries; (b) Dispositions of inventory, services or other property in the ordinary course of business; (c) Dispositions of Property to the extent that (i) such Property is exchanged for credit against the purchase price of similar replacement Property or (ii) the proceeds of such Disposition are reasonably promptly applied to the purchase price of such replacement equipment or property; (d) licenses, sublicenses, leases and subleases not interfering in any material respect with the business of any member of the Consolidated Group; (e) sales or discounts of accounts receivable in connection with the compromise or collection thereof in the ordinary course of business; (f) any Disposition at any time by (i) a Domestic Credit Party to any other Domestic Credit Party, (ii) a Subsidiary that is not a Credit Party to a Domestic Credit Party, (iii) a Subsidiary that is not a Credit Party to another Subsidiary that is not a Credit Party, (iv) a Foreign Credit Party to any other Foreign Credit Party or (v) a Foreign Credit Party to any Foreign Subsidiary that is not a Foreign Credit Party (provided that the fair market value of Property

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Disposed of pursuant to this clause (v) shall not exceed \$50.0 million in the aggregate in any fiscal year of the Parent Borrower); (g) Specified Intercompany Transfers; (h) the sale of Cash Equivalents; (i) an Excluded Sale and Leaseback Transaction; (j) Restricted Payments permitted by Section 8.06; (k) mergers and consolidations permitted by Section 8.04; (l) the granting of Liens permitted pursuant to Section 8.01. (m) a Disposition of Property to the extent effected in connection with and related to the making of a Designated Investment (provided that such Disposition is made at fair market value) and (n) Dispositions, in one transaction or a series of related transactions, of assets or other properties of the Parent Borrower or its Subsidiaries with a fair market value not exceeding \$1,000,000 and made in the ordinary course of business.

“Subordinated Debt” means (x) as to the Parent Borrower, any Funded Debt of the Parent Borrower that is expressly subordinated in right of payment to the prior payment of any of the Loan Obligations of the Parent Borrower and (y) as to any Guarantor, any Funded Debt of such Guarantor that is expressly subordinated in right of payment to the prior payment of any of the Loan Obligations of such Guarantor.

“Subsidiary” of a Person means (A) a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person or (B) any other Person that is a consolidated subsidiary of such Person under GAAP and designated as a Subsidiary of such Person in a certificate to the Administrative Agent by a financial or accounting officer of such Person. Unless otherwise provided, “Subsidiary” shall refer to a Subsidiary of the Parent Borrower; provided that an Unrestricted Subsidiary shall be deemed not to be a Subsidiary for purposes of this Credit Agreement and each other Credit Document.

“Subsidiary Redesignation” has the meaning provided in the definition of “Unrestricted Subsidiary.”

“Support Obligations” means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness payable by another Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness of the payment or performance of such Indebtedness, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Support Obligations shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Support Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith.

“Swap Contract” means any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination values determined in accordance therewith, such

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termination values, and (b) for any date prior to the date referenced in clause (a), the amounts determined as the mark-to-market values for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Swedish Krona” or “kr” means the lawful currency of Sweden.

“Swingline Borrowing” means a borrowing of a Swingline Loan pursuant to Section 2.01(c).

“Swingline Commitment” means, with respect to the Swingline Lender, the commitment of the Swingline Lender to make Swingline Loans, and with respect to each Lender, the commitment of such Lender to purchase participation interests in Swingline Loans.

“Swingline Exposure” means, at any time, the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Dollar Revolving Lender at any time shall be its Dollar Revolving Commitment Percentage of the total Swingline Exposure at such time.

“Swingline Lender” means JPMCB in its capacity as such, together with any successor in such capacity.

“Swingline Loan” has the meaning provided in Section 2.01(c).

“Swingline Note” means the promissory note given to evidence the Swingline Loans, as amended, restated, modified, supplemented, extended, renewed or replaced. A form of Swingline Note is attached as Exhibit 2.13-4.

“Swingline Sublimit” has the meaning provided in Section 2.01(c).

“Swiss Franc” or “CHF” means the lawful currency of Switzerland.

“Synthetic Lease” means any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing arrangement that is considered borrowed money indebtedness for tax purposes but is classified as an operating lease under GAAP.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term A Lenders” means, prior to the funding of the initial Term A Loans on the Closing Date, those Lenders with Term A Loan Commitments, and after funding of the Term A Loans, those Lenders holding a portion of the Term A Loans, together with their successors and permitted assigns. The initial Term A Lenders are set forth on Schedule 2.01.

“Term A Loan Commitment” means, for each Term A Lender, the commitment of such Lender to make a portion of the Term A Loan hereunder; provided that, at any time after funding of the Term A Loans, determinations of “Required Lenders” and “Required Term A Lenders” shall be based on the outstanding principal amount of the Term A Loan.

“Term A Loan Committed Amount” means, for each Term A Lender, the amount of such Lender’s Term A Loan Commitment. The initial Term A Loan Committed Amounts are set forth on Schedule 2.01.

“Term A Loan Termination Date” means the date that is five years and six months following the Closing Date.

“Term A Loans” has the meaning provided in Section 2.01(d).

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“Term A Note” means the promissory notes substantially in the form of Exhibit 2.13-5, if any, given to evidence the Term A Loans, as amended, restated, modified, supplemented, extended, renewed or replaced.

“Term B Lenders” means, prior to the funding of the initial Term B Loans on the Closing Date, those Lenders with Term B Loan Commitments, and after funding of the Term B Loans, those Lenders holding a portion of the Term B Loans (including any Incremental Term Loans that are Term B Loans), together with their successors and permitted assigns. The initial Term B Lenders are set forth on Schedule 2.01.

“Term B Loan Commitment” means, for each Term B Lender, the commitment of such Lender to make a portion of the Term B Loan hereunder; provided that, at any time after funding of the Term B Loans, determinations of “Required Lenders” and “Required Term B Lenders” shall be based on the outstanding principal amount of the Term B Loan.

“Term B Loan Committed Amount” means, for each Term B Lender, the amount of such Lender’s Term B Loan Commitment. The initial Term B Loan Committed Amounts are set forth on Schedule 2.01.

“Term B Loan Termination Date” means the date that is six years and six months following the Closing Date.

“Term B Loans” has the meaning provided in Section 2.01(e).

“Term B Note” means the promissory notes substantially in the form of Exhibit 2.13-6, if any, given to evidence the Term B Loans, as amended, restated, modified, supplemented, extended, renewed or replaced.

“Term Loan Commitments” means the Term A Loan Commitment and the Term B Loan Commitment.

“Term Loan Lenders” means the Term A Lenders and the Term B Lenders.

“Term Loans” means the Term A Loans and the Term B Loans.

“Ticketmaster” means Ticketmaster Entertainment, LLC, a Delaware limited liability company.

“Ticketmaster Merger” means the merger of Ticketmaster Entertainment, Inc. and Live Nation Merger Sub pursuant to the Live Nation Merger Agreement.

“Total Assets” of any Person means the total assets of such Person as set forth on such Person’s most recent balance sheet.

“Transactions” means the borrowing of the Term A Loans and the Term B Loans on the Closing Date, the issuance of the New Senior Notes, the repayment of the Existing Credit Facilities, the conversion of the Existing Preferred Stock into the right to receive cash, the solicitation of consents with respect to the Existing Senior Notes, and the payment of fees and expenses in connection with the foregoing.

“Treasury Management Bank” has the meaning provided in the definition of “Borrower Obligations.”

“Treasury Management Agreement” means any agreement governing the provision of treasury or cash management services, including deposit accounts, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, purchase cards, account reconciliation and reporting and trade finance services.

“Type” means, with respect to any Revolving Loan or Term Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

“UCC” means the Uniform Commercial Code in effect in any applicable jurisdiction from time to time.

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“United States” or “U.S.” means the United States of America.

“United States Tax Compliance Certificate” has the meaning provided in Section 3.01(e).

“Unreimbursed Amount” has the meaning provided in Section 2.03(c).

“Unrestricted Subsidiary” means any Subsidiary acquired, purchased or invested in after the Closing Date that is designated as an Unrestricted Subsidiary hereunder by written notice from the Parent Borrower to the Administrative Agent; provided that the Parent Borrower shall only be permitted to so designate a new Unrestricted Subsidiary so long as (a) no Default or Event of Default has occurred and is continuing or would result therefrom; (b) after giving effect on a Pro Forma Basis to such designation, as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10; (c) such Unrestricted Subsidiary shall be solely capitalized (to the extent capitalized by any Credit Party) through one or more investments permitted by Section 8.02(k) or (r); (d) without duplication of clause (c), when any pre-existing Subsidiary is designated as an Unrestricted Subsidiary, the portion of the aggregate fair value of the assets of such newly designated Unrestricted Subsidiary (proportionate to the applicable Borrower’s or Subsidiary’s equity interest in such Unrestricted Subsidiary) at the time of the designation thereof as an Unrestricted Subsidiary shall be treated as Investments pursuant to Section 8.02(k) (it being understood that such aggregate fair value shall be set forth in a certificate of a Responsible Officer of the Parent Borrower, which certificate (x) shall be dated as of the date such subsidiary is designated as an Unrestricted Subsidiary, (y) shall have been delivered by the Parent Borrower to the Administrative Agent (for delivery to the Lenders) on or prior to the date of such designation and (z) shall set forth a reasonably detailed calculation of such aggregate fair value); and (e) with respect to the Senior Notes and any other material Indebtedness for borrowed money (to the extent the concept of an Unrestricted Subsidiary exists in such other material Indebtedness) and, in each case, any refinancing Indebtedness thereof, such Subsidiary shall have been designated an Unrestricted Subsidiary (or otherwise not be subject to the covenants and defaults except on a basis substantially similar to this Credit Agreement) under the documents governing such material Indebtedness permitted to be incurred or maintained herein. Any Unrestricted Subsidiary may be designated by the Parent Borrower to be a Subsidiary for purposes of this Credit Agreement (each, a “Subsidiary Redesignation”); provided that (i) no Default or Event of Default has occurred and is continuing or would result therefrom; (ii) after giving effect on a Pro Forma Basis to such designation, as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10; (iii) all representations and warranties contained herein and in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Subsidiary Redesignation (both before and after giving effect thereto), except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date (provided that representations and warranties that are qualified by materiality shall be true and correct in all respects); and (iv) the Parent Borrower shall have delivered to the Administrative Agent a certificate executed by a Responsible Officer, certifying to the best of such officer’s knowledge, compliance with the requirements of preceding clauses (i) through (iii), inclusive, and containing the calculations and information required to evidence the same. The term “Unrestricted Subsidiary” shall also include any subsidiary of an Unrestricted Subsidiary. An Unrestricted Subsidiary, for as long as such Subsidiary remains an Unrestricted Subsidiary, shall be deemed to not be a Subsidiary or Borrower for all purposes under the Loan Documents. Notwithstanding the foregoing, a Foreign Borrower shall in no event be an Unrestricted Subsidiary.

“U.S. Pledge Agreement” means the pledge agreement substantially in the form of Exhibit 1.01C (it being understood that the pledgors party thereto and schedules thereto shall be reasonably satisfactory to the Administrative Agent), given by the Domestic Credit Parties, as pledgors, to the Collateral Agent to secure the Obligations, and any other pledge agreements that may be given by any Person pursuant to the terms hereof, in each case as the same may be amended and modified from time to time.

“U.S. Security Agreement” means the security agreement substantially in the form of Exhibit 1.01D (it being understood that the grantors party thereto and schedules thereto shall be reasonably satisfactory to the Administrative Agent), given by Domestic Credit Parties, as grantors, to the Collateral Agent to secure the Obligations, and any other security agreements that may be given by any Person pursuant to the terms hereof, in each case as the same may be amended and modified from time to time.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payment of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment by (ii) the then outstanding principal amount of such Indebtedness.

“Wholly Owned Subsidiary” means, with respect to any direct or indirect Subsidiary of any Person, that one hundred percent (100%) of the Capital Stock with ordinary voting power issued by such Subsidiary (other than directors’ qualifying shares and investments by foreign nationals mandated by applicable Law) is beneficially owned, directly or indirectly, by such Person.

## **1.02 Interpretative Provisions.**

With reference to this Credit Agreement and each other Credit Document, unless otherwise specified herein or in such other Credit Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Credit Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and permitted assigns, (iii) the words “herein,” “hereof” and “hereunder,” and words of similar import when used in any Credit Document, shall be construed to refer to such Credit Document in its entirety and not to any particular provision thereof, (iv) all references in a Credit Document to “Articles,” “Sections,” “Exhibits” and “Schedules” shall be construed to refer to articles and sections of, and exhibits and schedules to, the Credit Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) 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.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including,” the words “to” and “until” each mean “to but excluding,” and the word “through” means “to and including.”

(c) Section headings herein and in the other Credit Documents are included for convenience of reference only and shall not affect the interpretation of this Credit Agreement or any other Credit Document.

## **1.03 Accounting Terms and Provisions.**

(a) As used herein, “GAAP” means generally accepted accounting principles in effect in the United States as set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards

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Board from time to time applied on a consistent basis, subject to the provisions of this Section 1.03. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Credit Agreement shall be prepared in conformity with, GAAP applied on a consistent basis in a manner consistent with that used in preparing the audited financial statements referenced in Section 6.05, except as otherwise specifically prescribed herein.

(b) Notwithstanding any provision herein to the contrary, determinations of (i) the Consolidated Total Leverage Ratio for purposes of determining the applicable pricing level under the definition of “Applicable Percentage”, (ii) the Consolidated Total Leverage Ratio, the Senior Secured Leverage Ratio and the Consolidated Interest Coverage Ratio, for the purposes of determining compliance with covenants, conditions and the Incremental Loan Facilities and (iii) revenues for determining Material Subsidiaries and Immaterial Subsidiaries shall be made on a Pro Forma Basis. To the extent compliance with the covenants in Section 8.10 is being calculated as of a date that is prior to the first test date under Section 8.10 in order to determine the permissibility of a transaction, the levels for the covenants as of the first test date under Section 8.10 shall apply for such purpose.

(c) If at any time any change in GAAP or in the consistent application thereof would affect the computation of any financial ratio or requirement set forth in any Credit Document, the Parent Borrower may, after giving written notice thereof to the Administrative Agent, determine all such computations on such a basis; provided that if any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Credit Document, and either the Parent Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Parent Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided further that, until so amended (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Parent Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Credit Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. 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 made, without giving effect to any election under Statement of Financial Accounting Standard No. 159 (or any other Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Parent Borrower or any of its Subsidiaries at “fair value”, as defined therein.

(d) Consolidation of Variable Interest Entities. All references herein to consolidated financial statements of the Parent Borrower and its Subsidiaries or to the determination of any amount for the Parent Borrower and its Subsidiaries on a consolidated basis or any similar reference shall, in each case, be deemed to include each variable interest entity that the Parent Borrower is required to consolidate pursuant to FASB Interpretation No. 46—Consolidation of Variable Interest Entities: an interpretation of ARB No. 51 (January 2003) as if such variable interest entity were a Subsidiary as defined herein.

#### **1.04 Rounding.**

Any financial ratios required to be maintained by the Parent Borrower pursuant to this Credit Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

#### **1.05 Times of Day.**

Unless otherwise provided, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

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### **1.06 Exchange Rates; Currency Equivalents.**

The Applicable Agent or the applicable L/C Issuer, as applicable, shall determine the Spot Rates as of each Revaluation Date to be used for calculating Dollar Equivalent amounts of L/C Credit Extensions and Outstanding Amounts denominated in Alternative Currencies. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered hereunder or calculating covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Credit Documents shall be such Dollar Equivalent amount as so determined by the Applicable Agent or the applicable L/C Issuer. For purposes of complying with covenants whose limitations or thresholds are denominated in United States dollars, the Dollar Equivalent of all amounts necessary to compute such compliance shall be used.

### **1.07 Additional Alternative Currencies.**

Any Borrower may from time to time request that an additional currency be added as "Alternative Currency"; provided that such requested currency is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars. Such request shall be subject to the approval of the Administrative Agent and each Multicurrency Revolving Lender, and, to the extent such Alternative Currency is proposed to be available under the Limited Currency Revolving Facility, each Limited Currency Revolving Lender; provided that if such "Alternative Currency" is to be used for Letters of Credit only, such request shall be subject only to the approval of the Administrative Agent and the Multicurrency L/C Issuer.

### **1.08 Additional Borrowers.**

Notwithstanding anything in Section 11.01 to the contrary, following the Closing Date, the Parent Borrower may add one or more of its Foreign Subsidiaries that is a Wholly Owned Subsidiary as an additional Foreign Borrower under the Limited Currency Revolving Facility or Multicurrency Revolving Facility by delivering to the Administrative Agent a Foreign Borrower Agreement executed by such Subsidiary and the Parent Borrower. After (i) five Business Days have elapsed after such delivery and (ii) receipt by the Lenders and the Administrative Agent of such documentation and other information reasonably requested by the Lenders or the Administrative Agent for purposes of complying with all necessary "know your customer" or other similar checks under all applicable laws and regulations, such Foreign Subsidiary shall for all purposes of this Credit Agreement be a Foreign Borrower hereunder; provided that each Foreign Borrower shall also be a Foreign Guarantor. Any obligations in respect of borrowings by any Foreign Subsidiary under the Credit Agreement will constitute "Obligations," "Foreign Obligations" and "Secured Obligations" for all purposes of the Credit Documents. At the reasonable request of the Administrative Agent, the Administrative Agent, the Parent Borrower, the applicable Foreign Borrower and each Limited Currency Revolving Lender and/or Multicurrency Revolving Lender (as the case may be), shall amend this Credit Agreement and the other Credit Documents (including, without limitation, Section 3.01 of this Credit Agreement and the definition of "Excluded Taxes") as reasonably necessary or appropriate to appropriately include such Foreign Subsidiary as a Borrower hereunder (provided that no such amendment shall materially adversely affect the rights of any Lender that has not consented to such amendment). Upon the execution by the Parent Borrower and a Foreign Borrower and delivery to the Administrative Agent of a Foreign Borrower Termination with respect to such Foreign Borrower, such Foreign Borrower shall cease to be a Foreign Borrower and a party to this Credit Agreement; provided that no Foreign Borrower Termination will become effective as to any Foreign Borrower (other than to terminate such Foreign Borrower's right to make further Borrowings under this Credit Agreement) at a time when any Loan to, B/A on behalf of, or Letter of Credit issued to such Foreign Borrower shall be outstanding hereunder. Promptly following receipt of any Foreign Borrower Agreement or Foreign Borrower Termination, the Administrative Agent shall send a copy thereof to each Lender.

### **1.09 Change of Currency.**

(a) Each obligation of the Borrowers to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption (in accordance with the EMU Legislation). If, in relation to



the currency of any such member state, the basis of accrual of interest expressed in this Credit Agreement in respect of that currency shall be inconsistent with any convention or practice in the London interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any Borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Borrowing, at the end of the then current Interest Period.

(b) Each provision of this Credit Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Credit Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

#### **1.10 Letter of Credit Amounts.**

Unless otherwise provided, all references herein to the amount of a Letter of Credit at any time shall be deemed to mean the Dollar Equivalent of the maximum face amount available to be drawn of such Letter of Credit after giving effect to all increases thereof contemplated by such Letter of Credit or the Issuer Documents related thereto, whether or not such maximum face amount is in effect at such time.

## **ARTICLE II**

### **COMMITMENTS AND CREDIT EXTENSIONS**

#### **2.01 Commitments.**

Subject to the terms and conditions set forth herein:

(a) Revolving Loans.

(i) Dollar Revolving Loans. Following the Closing Date, each Dollar Revolving Lender severally agrees to make revolving credit loans (the "Dollar Revolving Loans") in Dollars to the Parent Borrower from time to time on any Business Day prior to the Revolving Termination Date; provided that after giving effect to any such Dollar Revolving Loan, (x) with respect to the Dollar Revolving Lenders collectively, the Outstanding Amount of Dollar Revolving Obligations shall not exceed ONE HUNDRED MILLION DOLLARS (\$100,000,000) (as such amount may be increased pursuant to Section 2.01(g) or decreased pursuant to Sections 2.07 or 9.02(a), the "Aggregate Dollar Revolving Committed Amount") and (y) with respect to each Dollar Revolving Lender individually, such Lender's Dollar Revolving Commitment Percentage of Dollar Revolving Obligations shall not exceed its respective Dollar Revolving Committed Amount. Dollar Revolving Loans may consist of Base Rate Loans, Eurodollar Rate Loans or a combination thereof, as the Parent Borrower may request. Dollar Revolving Loans may be repaid and reborrowed in accordance with the provisions hereof.

(ii) Limited Currency Revolving Loans. Following the Closing Date, each Limited Currency Revolving Lender severally agrees to make revolving credit loans (the "Limited Currency Revolving Loans") in Dollars, Euros or Sterling to the Parent Borrower and each Foreign Borrower from time to time on any Business Day prior to the Revolving Termination Date; provided that after giving effect to any such Limited Currency Revolving Loan, (x) with respect to the Limited Currency Revolving Lenders collectively, the Outstanding Amount of Limited Currency Revolving Obligations shall not exceed ONE HUNDRED FIFTY MILLION DOLLARS (\$150,000,000) (as such amount may be increased pursuant to Section 2.01(g) or decreased in accordance with the Sections 2.07 or 9.02(a), the "Aggregate Limited Currency Revolving Committed Amount"), (y) with respect to each Limited Currency Revolving Lender individually, such Lender's Limited Currency Revolving Commitment Percentage of Limited Currency Revolving

Obligations shall not exceed its respective Limited Currency Revolving Committed Amount and (z) the Outstanding Amount of all Limited Currency Revolving Obligations and Multicurrency Revolving Obligations denominated in an Alternative Currency shall not exceed the Alternative Currency Sublimit. Limited Currency Revolving Loans denominated in Dollars may consist of Base Rate Loans, Eurodollar Rate Loans or a combination thereof, as the Borrowers may request. Limited Currency Revolving Loans denominated in Euros or Sterling must consist of Eurodollar Rate Loans.

(iii) Multicurrency Revolving Loans. Following the Closing Date, each Multicurrency Revolving Lender severally agrees (A) to make revolving credit loans (the “Multicurrency Revolving Loans”) in one or more Approved Currencies to the Parent Borrower and each Foreign Borrower from time to time on any Business Day prior to the Revolving Termination Date and (B) to cause its Canadian Lending Office to accept and purchase or arrange for the acceptance and purchase of drafts drawn by the Canadian Borrowers in Canadian Dollars as B/As; provided that after giving effect to any such Multicurrency Revolving Loan or B/A, (x) with respect to the Multicurrency Revolving Lenders collectively, the Outstanding Amount of Multicurrency Revolving Obligations shall not exceed FIFTY MILLION DOLLARS (\$50,000,000) (as such amount may be increased pursuant to Section 2.01(g) or decreased in accordance with the Sections 2.07 or 9.02(a), the “Aggregate Multicurrency Revolving Committed Amount”), (y) with respect to each Multicurrency Revolving Lender individually, such Lender’s Multicurrency Revolving Commitment Percentage of Multicurrency Revolving Obligations shall not exceed its respective Multicurrency Revolving Committed Amount and (z) the Outstanding Amount of all Limited Currency Revolving Obligations and Multicurrency Revolving Obligations denominated in an Alternative Currency shall not exceed the Alternative Currency Sublimit. Multicurrency Revolving Loans denominated in Dollars or Canadian Dollars and B/As may consist of Base Rate Loans, Eurodollar Rate Loans or a combination thereof, as the Borrowers may request. Multicurrency Revolving Loans denominated in an Alternative Currency (other than Canadian Dollars) must consist of Eurodollar Rate Loans.

(b) Letters of Credit. On and after the Closing Date, (x) each L/C Issuer, in reliance upon the commitments of the Revolving Lenders set forth herein, agrees (A) to issue Letters of Credit for the account of the Parent Borrower (or for the account of any member of the Consolidated Group or BCV, but in such case the Parent Borrower will remain obligated to reimburse such L/C Issuer for any and all drawings under such Letter of Credit, and the Parent Borrower acknowledges that the issuance of Letters of Credit for the account of members of the Consolidated Group or BCV inures to the benefit of the Parent Borrower, and the Parent Borrower acknowledges that the Parent Borrower’s business derives substantial benefits from the business of such members of the Consolidated Group and BCV) on any Business Day, (B) to amend or extend Letters of Credit previously issued hereunder, and (C) to honor drawings under Letters of Credit; and (y) each L/C Revolving Lender severally agrees to purchase from the such L/C Issuer a participation interest in each Letter of Credit issued hereunder in an amount equal to the Dollar Equivalent of such L/C Revolving Lender’s L/C Commitment Percentage thereof (and, in each case, with respect to the purchase of a participation in any Alternative Currency Letter of Credit, the purchase of such participation will also occur on each Revaluation Date); provided that (A) the Outstanding Amount of L/C Obligations shall not exceed ONE HUNDRED FIFTY MILLION DOLLARS (\$150,000,000) (as such amount may be decreased in accordance with the provisions hereof, the “L/C Sublimit”), (B) the Outstanding Amount of all Alternative Currency L/C Obligations shall not exceed the Alternative Currency L/C Sublimit, (C) with regard to the Revolving Lenders collectively, the Outstanding Amount of Revolving Obligations shall not exceed the Aggregate Revolving Committed Amount, (D) with regard to each Revolving Lender individually, such Revolving Lender’s Aggregate Revolving Commitment Percentage of Revolving Obligations shall not exceed its respective Aggregate Revolving Committed Amount, (E) the Outstanding Amount of all Dollar Revolving Obligations shall not exceed the Dollar Equivalent of the Aggregate Dollar Revolving Committed Amount, (F) the Outstanding Amount of all Limited Currency Revolving Obligations shall not exceed the Dollar Equivalent of the Aggregate Limited Currency Revolving Committed Amount, (G) the Outstanding Amount of all Alternative Currency L/C Obligations shall not exceed the Alternative Currency L/C Sublimit, (H) the L/C Obligations do not exceed the L/C Committed Amount, (I) the Outstanding Amount of L/C Obligations for the account of BCV shall not exceed \$5.0 million less the amount of all then outstanding Limited Currency Facility L/C Obligations for the account of BCV and (J) no L/C Issuer shall be required to issue, amend, extend or increase any Letter of Credit, if after giving effect thereto, there

would be L/C Obligations arising from Letters of Credit issued by such L/C Issuer in excess of its Letter of Credit Cap. Subject to the terms and conditions hereof, the Parent Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Parent Borrower may obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto, and from and after the Closing Date shall be subject to and governed by the terms and conditions hereof.

(c) Swingline Loans. During the Commitment Period, the Swingline Lender agrees, in reliance upon the commitments of the other Dollar Revolving Lenders set forth herein, to make revolving credit loans (the "Swingline Loans") to the Parent Borrower in Dollars on any Business Day; provided that (i) the Outstanding Amount of Swingline Loans shall not exceed FIFTY MILLION DOLLARS (\$50.0 million) (as such amount may be decreased in accordance with the provisions hereof, the "Swingline Sublimit"), (ii) with respect to the Dollar Revolving Lenders collectively, the Outstanding Amount of Dollar Revolving Obligations shall not exceed the Aggregate Dollar Revolving Committed Amount and (iii) with regard to each Revolving Lender individually, such Revolving Lender's Aggregate Revolving Commitment Percentage of Revolving Obligations shall not exceed its respective Aggregate Revolving Committed Amount. Swingline Loans shall be comprised solely of Base Rate Loans, and may be repaid and reborrowed in accordance with the provisions hereof. Immediately upon the making of a Swingline Loan, each Dollar Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swingline Lender a participation interest in such Swingline Loan in an amount equal to such Lender's Dollar Revolving Commitment Percentage thereof.

(d) Term A Loans. Each of the Term A Lenders severally agrees to make its portion of the term A loans (in the amount of its respective Term A Loan Committed Amount) to the Parent Borrower on the Closing Date in a single advance in Dollars in an aggregate principal amount for all Term A Lenders of ONE HUNDRED MILLION DOLLARS (\$100,000,000) (the "Term A Loans"). The Term A Loans may consist of Base Rate Loans, Eurodollar Rate Loans or a combination thereto, as the Parent Borrower may request. Amounts repaid on the Term A Loans may not be reborrowed.

(e) Term B Loans. Each of the Term B Lenders severally agrees to make its portion of the term B loans (in the amount of its respective Term B Loan Committed Amount) to the Parent Borrower on the Closing Date in a single advance in Dollars in an aggregate principal amount for all Term B Lenders of EIGHT HUNDRED MILLION DOLLARS (\$800,000,000) (the "Term B Loans"). The Term B Loans may consist of Base Rate Loans, Eurodollar Rate Loans or a combination thereto, as the Parent Borrower may request. Amounts repaid on the Term B Loans may not be reborrowed.

(f) Incremental Loan Facilities. Any time after the Closing Date, any Borrower may, upon written notice to the Administrative Agent, establish additional credit facilities (collectively, the "Incremental Loan Facilities") by increasing the Aggregate Revolving Commitments hereunder as provided in Section 2.01(g) (the "Incremental Revolving Commitments"), or establishing new term loans hereunder as provided in Section 2.01(h) (the "Incremental Term Loans"); provided that:

(i) the aggregate principal amount of loans and commitments for all the Incremental Loan Facilities established after the Closing Date will not exceed \$300.0 million;

(ii) no Default or Event of Default shall have occurred and be continuing or shall result after giving effect to any such Incremental Loan Facility;

(iii) the conditions to the making of a Credit Extension under Section 5.02 shall be satisfied;

(iv)(A) after giving effect on a Pro Forma Basis to the borrowings to be made pursuant to such Incremental Loan Facility, as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the

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last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10 and (B) to the extent all loans and commitments established under Incremental Loan Facilities prior thereto and such Incremental Loan Facility, taken together, would exceed \$150.0 million, the Senior Secured Leverage Ratio on a Pro Forma Basis as of the end of the most recent fiscal quarter ended on or before the date such Incremental Loan Facility is established shall not be in excess of 2.50:1.00 (and the Parent Borrower shall deliver a certificate of a Responsible Officer of the Parent Borrower as to the satisfaction of the requirements of this clause (iv) and clauses (ii) and (iii) above);

(v) all Incremental Term Loans shall be borrowed by the Parent Borrower and guaranteed by the Domestic Guarantors; and

(vi) the Incremental Revolving Commitments may be of the Parent Borrower and any other Borrower; provided that, for the avoidance of doubt, the use of such Incremental Revolving Commitments shall be subject to the L/C Sublimit, the Swingline Sublimit, the Alternative Currency L/C Sublimit and the Alternative Currency Sublimit.

In connection with the establishment of any Incremental Loan Facility, (A) neither of the Lead Arrangers or the Administrative Agent hereunder shall have any obligation to arrange for or assist in arranging for any Incremental Loan Facility, (B) any Incremental Loan Facility shall be subject to such conditions, including fee arrangements, as may be provided in connection therewith and (C) none of the Lenders shall have any obligation to provide commitments or loans for any Incremental Loan Facility.

(g) Establishment of Incremental Revolving Commitments. Subject to Section 2.01(f), any Borrower may establish Incremental Revolving Commitments by increasing the Aggregate Dollar Revolving Committed Amount, Aggregate Limited Currency Revolving Committed Amount or Aggregate Multicurrency Revolving Committed Amount hereunder, provided that:

(i) any Person that is not a Revolving Lender that is proposed to be a Lender under any such increased Aggregate Revolving Committed Amount shall be reasonably acceptable to the Administrative Agent, any Person that is proposed to provide any such increased Aggregate Dollar Revolving Committed Amount (whether or not an existing Dollar Revolving Lender) or Aggregate Limited Currency Revolving Committed Amount (whether or not an existing Limited Currency Revolving Lender) shall be reasonably acceptable to each L/C Issuer and any Person that is proposed to provide any such increased Aggregate Dollar Revolving Committed Amount (whether or not an existing Dollar Revolving Lender) shall be reasonably acceptable to the Swingline Lender;

(ii) Persons providing commitments for the Incremental Revolving Commitments pursuant to this Section 2.01(g) will provide a Revolving Lender Joinder Agreement;

(iii) increases in the Aggregate Revolving Committed Amount will be in a minimum principal amount of \$10.0 million and integral multiples of \$5.0 million in excess thereof; and

(iv) if any Revolving Loans are outstanding at the time of any such increase under the applicable Revolving Facility, either (x) each applicable Borrower will prepay such Revolving Loans on the date of effectiveness of the Incremental Revolving Commitments (including payment of any break-funding amounts owing under Section 3.05) or (y) each Lender with an Incremental Revolving Commitment shall purchase at par interests in each Borrowing of Revolving Loans then outstanding under the applicable Revolving Facility such that immediately after giving effect to such purchases, each Borrowing thereunder shall be held by each Lender in accordance with its Pro Rata Share of such Revolving Facility (and, in connection therewith, each applicable Borrower shall pay all amounts that would have been payable pursuant to Section 3.05 had the Revolving Loans so purchased been prepaid on such date).

Any Incremental Revolving Commitment established hereunder shall have terms identical to the Dollar Revolving Commitments, Limited Currency Revolving Commitments or Multicurrency Revolving Commitments, as the case may be, existing on the Closing Date, it being understood that the Credit Parties and the Administrative Agent may make (without the consent of or notice to any other party) any amendment to reflect such increase in the Revolving Commitments.

(h) Establishment of Incremental Term Loans. Subject to Section 2.01(f), the Parent Borrower may, at any time, establish additional term loan commitments (including additional commitments for Term B Loans), provided that:

(i) any Person that is not a Lender or Eligible Assignee that is proposed to be a Lender shall be reasonably acceptable to the Administrative Agent;

(ii) Persons providing commitments for the Incremental Term Loan pursuant to this Section 2.01(h) will provide an Incremental Term Loan Joinder Agreement;

(iii) additional commitments established for the Incremental Term Loan will be in a minimum aggregate principal amount of \$15.0 million and integral multiples of \$5.0 million in excess thereof; provided that such commitments shall not be established on more than three (3) separate occasions;

(iv) the final maturity date of any Incremental Term Loan shall be no earlier than the Term B Loan Termination Date;

(v) the Applicable Percentage (which for the purposes of this Section 2.01(h) being deemed to include any similar interest margin measure) for any proposed Incremental Term Loans shall be determined by the Parent Borrower and the applicable Lenders; provided that in the event that the Applicable Percentage for any proposed Incremental Term Loans is 50 basis points greater than the Applicable Percentage for the Term B Loans (other than such Incremental Term Loans), then the Applicable Percentage for all Term B Loans (other than such Incremental Term Loans) shall be increased to the extent necessary so that the Applicable Percentage for the Term B Loans (other than such Incremental Term Loans) is equal to the Applicable Percentage for the proposed Incremental Term Loans minus 50 basis points; provided, further, that in determining the Applicable Percentage applicable to the Term B Loans (other than such Incremental Term Loans) and the proposed Incremental Term Loans, (x) original issue discount ("OID") or upfront fees (other than underwriting fees paid only to Lenders under the Incremental Term Loans in their capacity as such) (which upfront fees, exclusive of the underwriting fees referred to above, shall be deemed to constitute like amounts of OID) payable to the applicable Lenders of the Term B Loans (other than such Incremental Term Loans) or the proposed Incremental Term Loans in the primary syndication thereof shall be included (with OID being equated to interest based on an assumed four-year life to maturity) and (y) if the lowest permissible Eurodollar Rate is greater than 1.50% per annum or the lowest permissible Base Rate is greater than 2.50% per annum, in each case for such Incremental Term Loans, the difference between such "floor" and 1.50%, in the case of Eurodollar Rate Loans, and such floor and 2.50% per annum, in the case of Base Rate Loans, shall be taken into account in the calculation of Applicable Percentage for purposes of the first proviso of this clause (v); and

(vi) the Weighted Average Life to Maturity of any Incremental Term Loan shall not be shorter than the Term B Loans (without giving effect to such Incremental Term Loans).

Any Incremental Term Loan established hereunder shall be on terms to be determined by the Parent Borrower and the Lenders thereunder (and the Parent Borrower and the Administrative Agent may, without the consent of any other Lender, enter into an amendment to this Credit Agreement to appropriately include the Incremental Term Loans hereunder including, without limitation, to provide that such Incremental Term Loans shall share in mandatory prepayments on the same basis as the Term A Loans and

Term B Loans); provided that, to the extent that such terms and documentation are not consistent with the Term B Loans (except to the extent permitted by clause (iv), (v) or (vi) above), they shall be reasonably satisfactory to the Administrative Agent; provided, further, that if any covenant, term (except to the extent permitted by clause (iv), (v) or (vi) above), event of default or remedy in any Incremental Term Loans is more favorable to the lenders thereunder than the corresponding covenant, term, event of default or remedy in the existing Term B Loans, or such Incremental Term Loans contain any covenant, term (except to the extent permitted by clause (iv), (v) or (vi) above), event of default or remedy in favor of the lenders thereunder that is not in the existing Credit Documents, the Credit Parties and the Administrative Agent and/or the Collateral Agent shall, without the consent of or notice to any other party, amend the documentation for such existing Credit Documents so that such covenant, term, event of default and/or remedy is applicable to all Loans and Commitments (or Term Loans and Term Loan Commitments, as applicable) hereunder and/or to incorporate any such covenant, event of default and/or remedy that is not in the existing Credit Documents.

## **2.02 Borrowings, B/A Drawings, Conversions and Continuations.**

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of a B/A Drawing or a Eurodollar Rate Loans shall be made upon the applicable Borrower's irrevocable notice to the Applicable Agent by delivery to the Applicable Agent of a written Loan Notice appropriately completed and signed by a Responsible Officer of the applicable Borrower. Each such notice must be received by the Applicable Agent not later than (i) with respect to Eurodollar Rate Loans, 12:00 noon (Local Time) three (3) Business Days (or, in the case of Limited Currency Revolving Loans or Multicurrency Revolving Loans denominated in Alternative Currency, four (4) Business Days) prior to the requested date of, (ii) with respect to Base Rate Loans denominated in Dollars, 12:00 noon (Local Time) on the requested date of, (iii) in the case of Base Rate Loans denominated in Canadian Dollars, 12:00 noon (Local Time) one Business Day prior to the requested date of, or (iv) in the case of B/A Drawings, 10:00 a.m. (Local Time) one Business Day prior to the requested date of any such Borrowing, conversion or continuation. Except in the case of any Revolving Loan that is borrowed to refinance a Swingline Loan or L/C Borrowing (which may be in an amount sufficient to refinance such Swingline Loan or L/C Borrowing), each Borrowing, conversion or continuation shall be in a principal amount of (i) with respect to Eurodollar Rate Loans (A) denominated in Dollars, \$1.0 million or a whole multiple of \$1.0 million in excess thereof, (B) denominated in Euros, €1.0 million or a whole multiple of €1.0 million in excess thereof, (C) denominated in £££, £1.0 million or a whole multiple of £1.0 million in excess thereof, (D) denominated in Canadian Dollars, C\$1.0 million or a whole multiple of C\$1.0 million in excess thereof, (E) denominated in Australian Dollars, AU\$1.0 million or a whole multiple of AU\$1.0 million in excess thereof, (F) denominated in Swiss Francs, CHF1.0 million or a whole multiple of CHF\$1.0 million in excess thereof, (G) denominated in Swedish Krona, kr7.0 million or a whole multiple of kr7.0 million in excess thereof or (H) denominated in Japanese Yen, ¥100.0 million or a whole multiple of ¥100.0 million in excess thereof or (ii) with respect to Base Rate Loans (A) denominated in Dollars, \$1,000,000 or a whole multiple of \$100,000 in excess thereof or (B) denominated in Canadian Dollars or B/A Drawings, C\$1.0 million or an integral multiple of C\$100,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (i) whether such Borrower's request is with respect to Dollar Revolving Loans, Limited Currency Revolving Loans, Multicurrency Revolving Loans, B/A Drawings, Term A Loans or Term B Loans, (ii) whether such request is for a Borrowing, conversion, or continuation, (iii) the requested date of such Borrowing, conversion or continuation (which shall be a Business Day), (iv) the principal amount of Loans or B/A Drawings to be borrowed, converted or continued, (v) the Type of Loans to be borrowed, converted or continued, (vi) if such Loans are Limited Currency Revolving Loans or Multicurrency Revolving Loans, the currency of such Loans (which shall be an Approved Currency) and (vii) if applicable, the duration of the Contract Period or Interest Period with respect thereto. If the applicable Borrower fails to specify a Type of Loan in a Loan Notice or if the applicable Borrower fails to give a timely notice requesting a conversion or continuation (other than with respect to Limited Currency Revolving Loans or Multicurrency Revolving Loans denominated in an Alternative Currency other than Canadian Dollars), then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If the applicable Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any Loan Notice, but fails to specify an Interest Period, the Interest Period will be deemed to be one (1) month. Each B/A Drawing shall have a Contract Period as specified in the request therefor and no B/A Drawing may be continued other than at the end of the Contract Period applicable thereto.

(b) Following receipt of a Loan Notice, the Applicable Agent shall promptly notify each Lender of the amount of its Pro Rata Share of the applicable Loans or B/A Drawings, and if no timely notice of a conversion or continuation is provided by the applicable Borrower, the Applicable Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans described in the preceding subsection. In the case of a Borrowing denominated in Dollars, each Lender shall make the amount of its Loan available to the Applicable Agent in Dollars in immediately available funds at the Applicable Agent's Office not later than 2:00 p.m. (New York time) on the Business Day specified in the applicable Loan Notice. In the case of a Borrowing denominated in an Alternative Currency or a B/A Drawing, each Lender shall make the amount of its Loan or Discount Proceeds (net of applicable acceptance fees) available to the Applicable Agent in the applicable Alternative Currency in immediately available funds at the Applicable Agent's Office not later than 2:00 p.m. (Local Time) on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 5.02 (and, if such Borrowing is the initial Credit Extension, Section 5.01), the Applicable Agent shall make all funds so received available to the applicable Borrower in like funds as received by the Applicable Agent either by (i) crediting the account of such Borrower on the books of the Applicable Agent with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to the Applicable Agent by such Borrower.

(c) Except as otherwise provided herein, without the consent of the Required Lenders, a Eurodollar Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurodollar Rate Loan. During the existence of a Default or Event of Default, at the request of the Required Lenders or the Applicable Agent, (i) no Loan denominated in Dollars or Canadian Dollars may be requested as, converted to or continued as a Eurodollar Rate Loan and (ii) any outstanding Eurodollar Rate Loan denominated in Dollars or Canadian Dollars shall be converted to a Base Rate Loan on the last day of the Interest Period with respect thereto.

(d) The Applicable Agent shall promptly notify the applicable Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. The determination of the Adjusted Eurodollar Rate by the Applicable Agent shall be conclusive in the absence of manifest error. At any time that Base Rate Loans are outstanding, the Applicable Agent shall notify the Borrowers and the Lenders of any change in the Applicable Agent's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all B/A Drawings, all conversions of Loans and B/A Drawings from one Type to the other, and all continuations of Loans and B/A Drawings as the same Type, there shall not be more than ten (10) Interest Periods in effect with respect to the Revolving Loans and Term B Loans and five (5) Interest Periods with respect to the Term A Loans.

(f) Upon the conversion of any Borrowing denominated in Canadian Dollars (or portion thereof), or the continuation of any B/A Drawing (or portion thereof), to or as a B/A Drawing, the net amount that would otherwise be payable to a Borrower by each Multicurrency Revolving Lender pursuant to Section 2.15(f) in respect of such new B/A Drawing shall be applied against the principal of the Multicurrency Revolving Loan made by such Multicurrency Revolving Lender as part of such Borrowing (in the case of a conversion), or the reimbursement obligation owed to such Multicurrency Revolving Lender under Section 2.15(i) in respect of the B/As accepted by such Multicurrency Revolving Lender as part of such maturing B/A Drawing (in the case of a continuation), and such Borrower shall pay to such Multicurrency Revolving Lender an amount equal to the difference between the principal amount of such Multicurrency Revolving Loan or the aggregate face amount of such maturing B/As, as the case may be, and such net amount.

### **2.03 Additional Provisions with Respect to Letters of Credit.**

(a) Obligation to Issue or Amend.

(i) No L/C Issuer shall issue any Letter of Credit if:

(A) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur more than twelve (12) months after the date of issuance or last extension, unless the Administrative Agent and such L/C Issuer have approved such expiry date;

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(B) the expiry date of any requested Letter of Credit would occur after the L/C Expiration Date, unless all the L/C Revolving Lenders have approved such expiry date;

(C) with respect to a Letter of Credit to be issued by a Dollar L/C Issuer, such Letter of Credit is to be denominated in a currency other than Dollars; or

(D) with respect to a Letter of Credit to be issued by a Multicurrency L/C Issuer, such Letter of Credit is to be denominated in a currency other than Dollars, Euros or Sterling (provided that the foregoing shall in no way limit the right of a Multicurrency L/C Issuer, in its sole discretion, to issue a Letter of Credit in any other Approved Currency).

(ii) No L/C Issuer shall be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing such Letter of Credit, or any Law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense that was not applicable on the Closing Date and that such L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate any Law applicable to such L/C Issuer;

(C) except as otherwise agreed by such L/C Issuer and the Administrative Agent, such Letter of Credit is in an initial stated amount less than the Dollar Equivalent of \$20,000;

(D) such Letter of Credit is to be denominated in a currency other than Dollars or an Alternative Currency;

(E) except as otherwise agreed by such L/C Issuer, such Letter of Credit contains provisions for automatic reinstatement of the stated amount after any drawing thereunder; and

(F) any Dollar Revolving Lender or Limited Currency Revolving Lender is at that time a Defaulting Lender, unless such L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, reasonably satisfactory to such L/C Issuer with the Parent Borrower or such Lender to eliminate the L/C Issuer's actual or potential L/C Obligations (after giving effect to Section 2.16) with respect to such Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which such L/C Issuer has exposure.

(iii) No L/C Issuer shall be under any obligation to amend any Letter of Credit if:

(A) such L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof;

(B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit; or

(C) such Letter of Credit was issued by a L/C Issuer that is the issuer of no Letters of Credit hereunder other than Existing Letters of Credit.

(iv) The applicable L/C Issuer shall act on behalf of the L/C Revolving Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and such L/C Issuer shall have all of the



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benefits and immunities (A) provided to the Administrative Agent in Article X with respect to any acts taken or omissions suffered by such L/C Issuer in connection with such Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term “Administrative Agent” as used in Article X included such L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to such L/C Issuer.

(b) Procedures for Issuance and Amendment; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of any Borrower delivered to the applicable L/C Issuer (with a copy to the Administrative Agent) in the form of a L/C Application, appropriately completed and signed by a Responsible Officer of such Borrower. Each such L/C Application must be received by the applicable L/C Issuer and the Administrative Agent (A) not later than 12:00 noon (New York time) at least two (2) Business Days prior to the proposed issuance date or date of amendment, as the case may be, of any Letter of Credit denominated in Dollars and (B) not later than 12:00 noon (Local Time) at least five (5) Business Days prior to the proposed issuance date or date of amendment, as the case may be, of any Letter of Credit denominated in an Alternative Currency (or, in each case, such later date and time as the applicable L/C Issuer and the Administrative Agent may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such L/C Application shall specify in form and detail reasonably satisfactory to the applicable L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount and currency thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; and (G) such other matters as such L/C Issuer may reasonably require. In the case of a request for an amendment of any outstanding Letter of Credit, such L/C Application shall specify in form and detail satisfactory to the applicable L/C Issuer: (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; (D) the purpose and nature of the requested Letter of Credit; and (E) such other matters as such L/C Issuer may reasonably require. Additionally, the Parent Borrower shall furnish to such L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as such L/C Issuer or the Administrative Agent may require.

(ii) (A) Promptly after receipt of any L/C Application, the applicable L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such L/C Application from the applicable Borrower and, if not, such L/C Issuer will provide the Administrative Agent with a copy thereof. Unless such L/C Issuer has received written notice from the Administrative Agent, any L/C Revolving Lender or any Credit Party, at least one (1) Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Section 5.01 (if issued on the Closing Date) or 5.02 shall not then be satisfied, then, subject to the terms and conditions hereof, the applicable L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the applicable Borrower (or Subsidiary or BCV) or enter into the applicable amendment, as the case may be, in each case in accordance with such L/C Issuer’s usual and customary business practices.

(iii) If any Borrower so requests in any L/C Application, the applicable L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an “Auto-Extension Letter of Credit”); provided that any such Auto-Extension Letter of Credit must permit such L/C Issuer to prevent any such renewal at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the “Non-Extension Notice Date”) in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued (but in any event not later than 30 days prior to the scheduled expiry date thereof). Unless otherwise directed by the L/C Issuer, the applicable Borrower shall not be required to make a specific request to the applicable L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the L/C Revolving Lenders shall be deemed to have authorized (but may not require) the applicable L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the L/C Expiration Date; provided, however, that no L/C Issuer shall permit any such extension if (A) such L/C Issuer has determined that it would not be permitted or would have no obligation at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the

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provisions of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is five (5) Business Days before the Non-Extension Notice Date from the Administrative Agent or the applicable Borrower that one or more of the applicable conditions specified in Section 5.02 is not then satisfied, and in each case directing such L/C Issuer not to permit such extension.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the applicable L/C Issuer will also deliver to the applicable Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon any drawing under any Letter of Credit, the applicable L/C Issuer shall notify the applicable Borrower and the Administrative Agent thereof. In the case of a Letter of Credit denominated in Dollars, the Parent Borrower shall reimburse such L/C Issuer in Dollars. In the case of a Letter of Credit denominated in Sterling or euros, the applicable Borrower shall reimburse such L/C Issuer in Sterling or Euros, as applicable. In the case of a Letter of Credit denominated in an Alternative Currency other than Sterling or Euros, the applicable Borrower shall reimburse such L/C Issuer in such Alternative Currency unless (x) such L/C Issuer (at its option) shall have specified in such notice that it will require reimbursement in Dollars, or (y) in the absence of any such requirement for reimbursement in Dollars, the applicable Borrower shall have notified such L/C Issuer promptly following receipt of the notice of drawing that the applicable Borrower will reimburse such L/C Issuer in Dollars. In the case of any such reimbursement in Dollars of a drawing as of the applicable Revaluation Date under a Letter of Credit denominated in an Alternative Currency other than Sterling or Euros, such L/C Issuer shall notify the applicable Borrower of the Dollar Equivalent of the amount of the drawing promptly following the determination thereof. Not later than (x) 12:00 noon (New York time) on or prior to the date that is three (3) Business Days following the date that the applicable Borrower receives notice from any L/C Issuer of any payment by such L/C Issuer under a Letter of Credit to be reimbursed in Dollars, and (y) the Applicable Time on or prior to the date that is three (3) Business Days following the date the applicable Borrower receives notice from any L/C Issuer of any payment by such L/C Issuer under a Letter of Credit to be reimbursed in an Alternative Currency (each such date of payment by such L/C Issuer under a Letter of Credit, an "Honor Date"), the applicable Borrower shall reimburse such L/C Issuer through the Administrative Agent in Dollars or in the applicable Alternative Currency, as the case may be, in an amount equal to the amount of such drawing; provided, that such Borrower, and the applicable L/C Issuer may, each in their discretion, with the consent of the Administrative Agent and so long as such arrangements do not adversely affect the rights of any Lender in any material respect, enter into Letter of Credit cash collateral prefunding arrangements acceptable to them for the purpose of reimbursing Letter of Credit draws. If the applicable Borrower does not reimburse the applicable L/C Issuer on the Honor Date, the Administrative Agent, at the request of such L/C Issuer, shall promptly notify each L/C Revolving Lender as of the Honor Date the Dollar Equivalent of such unreimbursed drawing (an "Unreimbursed Amount") and the amount of such L/C Revolving Lender's L/C Commitment Percentage thereof.

(ii) Each L/C Revolving Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available to the Administrative Agent for the account of such L/C Issuer, in Dollars at the Administrative Agent's Office for payments in Dollars in an amount equal to its L/C Commitment Percentage of such Unreimbursed Amount not later than 1:00 p.m. (Local Time) on the Business Day specified in such notice by the Administrative Agent. With respect to any Unreimbursed Amount, the applicable Borrower shall be deemed to have incurred from the applicable L/C Issuer an L/C Borrowing in the amount of such Unreimbursed Amount, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at (i) through and including the third Business Day following the Honor Date, the rate of interest applicable to Base Rate Revolving Loans and (ii) thereafter, the Default Rate. In such event, each L/C Revolving Lender's payment to the Administrative Agent for the account of such L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Revolving Lender in satisfaction of its participation obligation under this Section 2.03.

(iii) Until an L/C Revolving Lender funds its L/C Advance pursuant to this Section 2.03(c) to reimburse the applicable L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such L/C Revolving Lender's L/C Commitment Percentage of such amount shall be solely for the account of such L/C Issuer.

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(iv) Each L/C Revolving Lender's obligation to make L/C Advances to reimburse the applicable L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right that such L/C Revolving Lender may have against such L/C Issuer, the Parent Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default or Event of Default, (C) non-compliance with the conditions set forth in Section 5.02, or (D) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided that such L/C Issuer shall have complied with the provisions of Section 2.03(b)(ii). No such making of an L/C Advance shall relieve or otherwise impair the obligation of each Borrower to reimburse any L/C Issuer for the amount of any payment made by such L/C Issuer under any Letter of Credit, together with interest as provided herein.

(v) If any L/C Revolving Lender fails to make available to the Administrative Agent for the account of the L/C Issuer any amount required to be paid by such L/C Revolving Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), such L/C Issuer shall be entitled to recover from such L/C Revolving Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by such L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by such L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's L/C Advance in respect of the relevant L/C Borrowing. A certificate of the applicable L/C Issuer submitted to any applicable L/C Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after any L/C Issuer has made a payment under any Letter of Credit and has received from any L/C Revolving Lender such L/C Revolving Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of such L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the applicable Borrower or otherwise, including proceeds of cash collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such L/C Revolving Lender its L/C Commitment Percentage (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such L/C Revolving Lender's L/C Advance was outstanding), in the same currency in which such L/C Revolving Lender's L/C Advance was made and in the same type of funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of any L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by such L/C Issuer in its discretion), each L/C Revolving Lender shall pay to the Administrative Agent for the account of such L/C Issuer its L/C Commitment Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such L/C Revolving Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the L/C Revolving Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Credit Agreement.

(e) Obligations Absolute. The obligation of each Borrower to reimburse the applicable L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Credit Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Credit Agreement or any other Credit Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that any Borrower, any Subsidiary or BCV may have at any time against any beneficiary or any transferee of such Letter of

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Credit (or any Person for whom any such beneficiary or any such transferee may be acting), any L/C Issuer or any other Person, whether in connection with this Credit Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by any L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by any L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law;

(v) any adverse change in the relevant exchange rates or in the availability of the relevant Alternative Currency to any Borrower, any Subsidiary or BCV or in the relevant currency markets generally; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Borrower, any Subsidiary or BCV.

The applicable Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to such Borrower and, in the event of any claim of noncompliance with such Borrower's instructions or other irregularity, such Borrower will immediately notify the applicable L/C Issuer. The Borrowers shall be conclusively deemed to have waived any such claim against the applicable L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of the L/C Issuers in such Capacity. Each L/C Revolving Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, no L/C Issuer shall have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of any L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of any L/C Issuer shall be liable to any L/C Revolving Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Required L/C Lenders; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. Each Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to such Borrower's use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude such Borrower's pursuing such rights and remedies as such Borrower may have against the beneficiary or transferee at law or under any other agreement. None of any L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of any L/C Issuer, shall be liable or responsible for any of the matters described in clauses (i) through (vi) of Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, each Borrower shall have a claim against each L/C Issuer, and each L/C Issuer shall be liable to each Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by such Borrower that are determined by a court of competent jurisdiction to have been caused by such L/C Issuer's willful misconduct or gross negligence or such L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, each L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and each L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to

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transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, that may prove to be invalid or ineffective for any reason.

(g) Cash Collateral. Upon the request of the Administrative Agent, (i) if any L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in a L/C Borrowing, or (ii) if, as of the L/C Expiration Date, any Letter of Credit may for any reason remain outstanding and partially or wholly undrawn the applicable Borrower shall immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations (in an amount equal to such Outstanding Amount determined as of the date of such L/C Borrowing or the L/C Expiration Date, as the case may be). The Administrative Agent may, at any time and from time to time after the initial deposit of cash collateral, request that additional cash collateral be provided in order to protect against the results of exchange rate fluctuations. For purposes hereof, "Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the applicable L/C Issuer and the L/C Revolving Lenders, as collateral for such L/C Obligations, cash or deposit account balances pursuant to customary documentation in form and substance reasonably satisfactory to the Administrative Agent and such L/C Issuer (which documents are hereby consented to by the Lenders). Derivatives of such term have corresponding meanings. Cash collateral shall be maintained in blocked, interest bearing deposit accounts or money market fund accounts at the Administrative Agent.

(h) Applicability of ISP. Unless otherwise expressly agreed by any L/C Issuer and the applicable Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), the rules of the ISP shall apply to each Letter of Credit.

(i) Letters of Credit Issued for Subsidiaries and BCV. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, BCV or any Subsidiary of the Parent Borrower, the Borrowers shall be obligated to reimburse the applicable L/C Issuer for any and all drawings under such Letter of Credit. The Borrowers hereby acknowledge that the issuance of Letters of Credit for the account of the Parent Borrower's Subsidiaries and BCV inures to the benefit of the Borrowers, and that each Borrower's business derives substantial benefits from the businesses of such Subsidiaries and BCV.

(j) Letter of Credit Fees. The Borrowers shall pay Letter of Credit Fees as set forth in Section 2.09(b).

(k) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

#### **2.04 Additional Provisions with Respect to Swingline Loans.**

(a) Borrowing Procedures. Each Swingline Borrowing shall be made upon the Parent Borrower's irrevocable notice to the Swingline Lender and the Administrative Agent by delivery to the Swingline Lender and the Administrative Agent of a written Loan Notice, appropriately completed and signed by a Responsible Officer of the Parent Borrower. Each such notice must be received by the Swingline Lender and the Administrative Agent not later than 2:00 p.m. (New York time) on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum of \$100,000, and (ii) the requested borrowing date, which shall be a Business Day. Promptly after receipt by the Swingline Lender of any Loan Notice, the Swingline Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Loan Notice and, if not, the Swingline Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Swingline Lender has received notice (by telephone or in writing) from the Administrative Agent prior to 3:00 p.m. (New York time) on the date of the proposed Swingline Borrowing (A) directing the Swingline Lender not to make such Swingline Loan as a result of the limitations set forth in this Article II, or (B) that one or more of the applicable conditions specified in Section 5.01 (if on the Closing Date) and Section 5.02 is not then satisfied, then, subject to the terms and conditions hereof, the Swingline Lender will, not later than 4:00 p.m. (New York time) on the borrowing date specified in such Loan Notice, make the amount of its Swingline Loan available to the Parent Borrower at its office by crediting the account of the Parent Borrower on the books of the Swingline Lender in immediately available funds. The Swingline Lender shall not be required to make any

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Swingline Loan at any time when a Dollar Revolving Lender is a Defaulting Lender (except if all of the Swingline Exposure of such Defaulting Lender is reallocated pursuant to Section 2.16).

(b) Refinancing.

(i) The Swingline Lender at any time in its sole and absolute discretion may (and, in any event, within ten Business Days of the applicable Swingline Borrowing, shall) request that each Dollar Revolving Lender fund its risk participations in Swingline Loans in an amount equal to such Dollar Revolving Lender's Dollar Revolving Commitment Percentage of Swingline Loans then outstanding. Each Dollar Revolving Lender shall make an amount equal to its Dollar Revolving Commitment Percentage of the amount specified in such notice available to the Administrative Agent in immediately available funds for the account of the Swingline Lender at the Administrative Agent's Office not later than 1:00 p.m. (New York time) on the day specified in such notice. The Administrative Agent shall remit the funds so received to the Swingline Lender.

(ii) Each Dollar Revolving Lender's funding of its risk participation in the relevant Swingline Loan and each Dollar Revolving Lender's payment to the Administrative Agent for the account of the Swingline Lender pursuant to Section 2.04(b)(i) shall be deemed payment in respect of such participation.

(iii) If any Dollar Revolving Lender fails to make available to the Administrative Agent for the account of the Swingline Lender any amount required to be paid by such Dollar Revolving Lender pursuant to the foregoing provisions of this Section 2.04(b) by the time specified in Section 2.04(b)(i), the Swingline Lender shall be entitled to recover from such Dollar Revolving Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swingline Lender at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the Swingline Lender in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Swingline Lender in connection with the foregoing. If such Dollar Revolving Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Dollar Revolving Lender's funded participation in the relevant Swingline Loan. A certificate of the Swingline Lender submitted to any Dollar Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Dollar Revolving Lender's obligation to purchase and fund risk participations in Swingline Loans pursuant to this Section 2.04(b) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right that such Dollar Revolving Lender may have against the Swingline Lender, the Parent Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default or Event of Default, (C) non-compliance with the conditions set forth in Section 5.02, or (D) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided that Swingline Lender has complied with the provisions of Section 2.04(a). No such purchase or funding of risk participations shall relieve or otherwise impair the obligation of the Parent Borrower to repay Swingline Loans, together with interest as provided herein.

(c) Repayment of Participations.

(i) At any time after any Dollar Revolving Lender has purchased and funded a risk participation in a Swingline Loan, if the Swingline Lender receives any payment on account of such Swingline Loan, the Swingline Lender will distribute to such Dollar Revolving Lender its Dollar Revolving Commitment Percentage of such payment (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Dollar Revolving Lender's risk participation was funded) in the same funds as those received by the Swingline Lender.

(ii) If any payment received by the Swingline Lender in respect of principal or interest on any Swingline Loan is required to be returned by the Swingline Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the Swingline Lender in its discretion), each Dollar Revolving Lender shall pay to the Swingline Lender its Dollar Revolving Commitment Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is

returned, at a rate per annum equal to the Federal Funds Rate. The Administrative Agent will make such demand upon the request of the Swingline Lender. The obligations of the Dollar Revolving Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Credit Agreement.

(d) Interest for Account of Swingline Lender. The Swingline Lender shall be responsible for invoicing the Parent Borrower for interest on the Swingline Loans. Until each Dollar Revolving Lender funds its risk participation pursuant to this Section 2.04 of any Swingline Loan, interest in respect thereof shall be solely for the account of the Swingline Lender.

(e) Payments Directly to Swingline Lender. The Parent Borrower shall make all payments of principal and interest in respect of the Swingline Loans directly to the Swingline Lender.

## **2.05 Repayment of Loans and B/As.**

(a) Revolving Loans and B/As. The Parent Borrower shall repay to the Dollar Revolving Lenders the Outstanding Amount of Dollar Revolving Loans on the Revolving Termination Date. Each Borrower shall repay to the Limited Currency Revolving Lenders the Outstanding Amount of the Limited Currency Revolving Loans made to it on the Revolving Termination Date. Each Borrower shall repay to the Multicurrency Revolving Lenders the Outstanding Amount of Multicurrency Revolving Loans made to it and B/As accepted hereunder on the Revolving Termination Date.

(b) Swingline Loans. The Parent Borrower shall repay to the Swingline Lender the Outstanding Amount of the Swingline Loans on the Revolving Termination Date.

(c) Term A Loans. On the last Business Day of each month listed in the table below, Parent Borrower shall repay the aggregate principal amount of Term A Loans set forth opposite such month in such table.

<u>Date</u>	<u>Principal Amortization Payment</u>
June 2010	\$ 1,250,000
September 2010	\$ 1,250,000
December 2010	\$ 1,250,000
March 2011	\$ 1,250,000
June 2011	\$ 2,500,000
September 2011	\$ 2,500,000
December 2011	\$ 2,500,000
March 2012	\$ 2,500,000
June 2012	\$ 2,500,000
September 2012	\$ 2,500,000
December 2012	\$ 2,500,000
March 2013	\$ 2,500,000
June 2013	\$ 3,750,000
September 2013	\$ 3,750,000
December 2013	\$ 3,750,000
March 2014	\$ 3,750,000
June 2014	\$ 5,000,000
September 2014	\$ 5,000,000
December 2014	\$ 5,000,000
March 2015	\$ 5,000,000
June 2015	\$ 10,000,000
September 2015	\$ 10,000,000
Term A Loan Termination Date	\$ 20,000,000

(d) Term B Loans. On the last Business Day of each March, June, September and December, the Parent Borrower shall repay an aggregate principal amount of Term B Loans equal to 0.25% of the aggregate principal

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amount of all Term B Loans funded on the Closing Date, and on the Term B Loan Termination Date all Term B Loans that are outstanding on the Term B Loan Termination Date shall be repaid in full.

## **2.06 Prepayments.**

(a) Voluntary Prepayments. The Loans may be repaid and amounts owed in respect of outstanding B/As may be cash collateralized in whole or in part without premium or penalty (except, in the case of Loans other than Base Rate Loans, amounts payable pursuant to Section 3.05); provided that:

(i) in the case of B/A Drawings and Loans other than Swingline Loans, (A) notice thereof must be received by 12:00 noon (Local Time) by the Applicable Agent at least three (3) Business Days prior to the date of prepayment, in the case of Eurodollar Rate Loans, and one (1) Business Day prior to the date of prepayment, in the case of Base Rate Loans and B/A Drawings, (B) any such prepayment shall be a minimum principal amount of (q) \$1.0 million and integral multiples of \$1.0 million in excess thereof, in the case of Eurodollar Rate Loans denominated in Dollars, (r) €1.0 million and integral multiples of €1.0 million in excess thereof, in the case of Eurodollar Rate Loans denominated in Euros, (s) £1.0 million and integral multiples of £1.0 million in excess thereof, in the case of Eurodollar Rate Loans denominated in Sterling, (t) C\$1.0 million and integral multiples of C\$1.0 million in excess thereof, in the case of Eurodollar Rate Loans denominated in Canadian Dollars, (u) kr7.0 million and integral multiples of kr7.0 million in excess thereof, in the case of Eurodollar Rate Loans denominated in Swedish Krona, (v) AU\$1.0 million and integral multiples of AU\$1.0 million in excess thereof, in the case of Eurodollar Rate Loans denominated in Australian Dollars, (w) ¥100.0 million and integral multiples of ¥100.0 million thereof, in the case of Eurodollar Rate Loans denominated in Japanese Yen, (x) CHF1.0 million and integral multiples of CHF1.0 million thereof, in the case of Eurodollar Rate Loans denominated in Swiss Francs, (y) C\$1.0 and integral multiples of C\$100,000 in excess thereof, in the case of Base Rate Loans denominated in Canadian Dollars and B/As Drawings and (z) \$1,000,000 and integral multiples of \$100,000 in excess thereof, in the case of Base Rate Loans denominated in Dollars, or, in each case the entire remaining principal amount thereof, if less; and

(ii) in the case of Swingline Loans, (A) notice thereof must be received by the Swingline Lender by 1:00 p.m. (New York time) on the date of prepayment (with a copy to the Administrative Agent), and (B) any such prepayment shall be in the same minimum principal amounts as for advances thereof (or any lesser amount that may be acceptable to the Swingline Lender).

Each such notice of voluntary prepayment hereunder shall be irrevocable and shall specify the date and amount of such prepayment, or amount owed in respect of an outstanding B/A Drawing or portion thereof to be cash collateralized, the Loans and Types of Loans that are being prepaid or B/A Drawings to be cash collateralized and, if Eurodollar Rate Loans are to be prepaid, the Interest Period(s) of such Loans. The Applicable Agent will give prompt notice to the applicable Lenders of any prepayment on the Loans or cash collateralization of amounts owed in respect of outstanding B/As and the Lender's interest therein. Prepayments of Eurodollar Rate Loans hereunder shall be accompanied by accrued interest on the amount prepaid and breakage or other amounts due, if any, under Section 3.05. Notwithstanding the foregoing, a notice of voluntary prepayment delivered by the Parent Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Parent Borrower (by notice to the Applicable Agent on or prior to the specified effective date) if such condition is not satisfied.

(b) Mandatory Prepayments. Subject in each case to Section 2.06(c):

(i) Revolving Commitments.

(A) If at any time (1) the Outstanding Amount of Dollar Revolving Obligations shall exceed the Aggregate Dollar Revolving Committed Amount, (2) the Outstanding Amount of Limited Currency Revolving Obligations shall exceed the Aggregate Limited Currency Revolving Committed Amount, (3) the Outstanding Amount of Multicurrency Revolving Obligations shall exceed the Aggregate Multicurrency Revolving Committed Amount, (4) the Outstanding Amount of all Limited Currency Revolving



Obligations and Multicurrency Revolving Obligations denominated in an Alternative Currency shall exceed the Alternative Currency Sublimit, (5) the Outstanding Amount of Swingline Loans shall exceed the Swingline Sublimit and (6) the L/C Obligations shall exceed the L/C Sublimit or the L/C Committed Amount (in each case, other than solely as a result of changes in Spot Rates) immediate prepayment or cash collateralization of amounts owing in respect of outstanding B/As will be made on or in respect of the applicable Revolving Obligations in an amount equal to the difference; provided, however, that L/C Obligations will not be Cash Collateralized hereunder until the Revolving Loans and Swingline Loans have been paid in full. If on any Revaluation Date and solely as a result of changes in Spot Rates, (i) the Outstanding Amount of Limited Currency Revolving Obligations shall exceed 105% of the Aggregate Limited Currency Revolving Committed Amount, (ii) the Outstanding Amount of Multicurrency Revolving Obligations shall exceed 105% of the Aggregate Multicurrency Revolving Committed Amount or (iii) the Outstanding Amount of all Limited Currency Revolving Obligations and Multicurrency Revolving Obligations denominated in an Alternative Currency shall exceed 105% of the Foreign Currency Sublimit, immediate prepayment or cash collateralization of amounts owing in respect of outstanding B/As will be made on or in respect of the applicable Revolving Obligations in an amount equal to the difference.

(B) If the Administrative Agent or an L/C Issuer notifies the Parent Borrower at any time that the Outstanding Amount of all L/C Obligations (whether or not as a result of a change in Spot Rates) at such time exceeds an amount equal to 105% of the L/C Sublimit then in effect, then, within two (2) Business Days after receipt of such notice, the Parent Borrower shall Cash Collateralize the L/C Obligations in an aggregate amount sufficient to reduce such Outstanding Amount as of such date of payment to an amount not to exceed 100% of the L/C Sublimit. If the Administrative Agent or an L/C Issuer notifies the Parent Borrower at any time that the Outstanding Amount of all L/C Obligations denominated in a Alternative Currency at such time exceeds an amount equal to 105% of the Alternative Currency L/C Sublimit then in effect, then, within two (2) Business Days after receipt of such notice, the Parent Borrower shall Cash Collateralize the L/C Obligations in an aggregate amount sufficient to reduce such Outstanding Amount as of such date of payment to an amount not to exceed 100% of the Alternative Currency L/C Sublimit. The Administrative Agent may, at any time and from time to time after the initial deposit of such cash collateral, request that additional cash collateral be provided in order to protect against the results of further exchange rate fluctuations.

(ii) Subject Dispositions and Involuntary Dispositions. On or before the applicable date set forth in the next sentence, prepayment will be made on the Loan Obligations in an amount equal to one hundred percent (100%) of the Net Cash Proceeds received from any Subject Disposition or Involuntary Disposition by any member of the Consolidated Group occurring after the Closing Date, but solely to the extent (x) the Net Cash Proceeds received in such Subject Disposition (or series of related Subject Dispositions) or Involuntary Disposition (or series of related Involuntary Dispositions) exceed \$5.0 million, (y) the Net Cash Proceeds received in all Subject Dispositions or Involuntary Dispositions effected during the fiscal year in which the applicable Subject Disposition or Involuntary Disposition takes place exceeds \$10.0 million and (z) such Net Cash Proceeds are not used to, subject to compliance with Section 8.02, acquire, maintain, develop, construct, improve, upgrade or repair Property or make Investments (other than inventory, accounts receivable, cash or Cash Equivalents) useful in the business of the Consolidated Group in any member of the Consolidated Group or to make investments in Permitted Acquisitions that are otherwise permitted hereunder within twelve (12) months of the date of such Subject Disposition or Involuntary Disposition; provided that such a reinvestment shall not be permitted if an Event of Default shall have occurred and be continuing at the time the Parent Borrower commits to make such reinvestment or, if no such commitment is made, the time the reinvestment is actually made, and in either such circumstance such Net Cash Proceeds shall be used to make prepayments on the Loans. Any such prepayment from any Net Cash Proceeds required by the previous sentence shall be made (x) in the case of a Major Disposition in respect of which the notice referred to in Section 7.02(g) has not been delivered on or before the fifteenth (15th) Business Day following the receipt of the Net Cash Proceeds from such Major Disposition or to the extent such notice does not indicate reinvestment is intended with the Net Cash Proceeds of such Major Disposition, on or before the twenty-fifth (25th) Business Day following receipt of such Net Cash Proceeds and (y) in any other case, promptly after the Parent Borrower determines that it will not reinvest such Net Cash Proceeds in accordance with the terms and limitations of the previous sentence, but in no event later than

366 days following the receipt of such Net Cash Proceeds. To the extent that the Parent Borrower has determined in good faith that repatriation to the United States of any or all the Net Cash Proceeds of any Subject Disposition or Involuntary Disposition by a Foreign Subsidiary would have a material adverse tax consequence to the Parent Borrower and its Subsidiaries, the Net Cash Proceeds so affected may be retained by such Foreign Subsidiary, provided that on or before the date on which any such Net Cash Proceeds would otherwise have been required to be applied to reinvestments or prepayments pursuant to the foregoing provisions of this Section 2.06(b)(ii), the Parent Borrower applies an amount equal to such Net Cash Proceeds to such reinvestments or prepayments as if such Net Cash Proceeds had been received by the Parent Borrower rather than such Foreign Subsidiary, less the amount of additional taxes (to the extent such taxes are not already deducted pursuant to the definition of Net Cash Proceeds) that would have been payable or reserved against if such Net Cash Proceeds had been repatriated to the United States.

(iii) Indebtedness. Prepayment will be made on the Loan Obligations in an amount equal to one hundred percent (100%) of the Net Cash Proceeds received from any incurrence or issuance of Indebtedness after the Closing Date (other than Indebtedness expressly permitted to be incurred or issued pursuant to Section 8.03). Any prepayment in respect of such Indebtedness hereunder will be payable on the Business Day following receipt by the Parent Borrower or other members of the Consolidated Group of the Net Cash Proceeds therefrom.

(iv) Consolidated Excess Cash Flow. If for any fiscal year of the Parent Borrower ending after December 31, 2010 there shall be Consolidated Excess Cash Flow, then, on a date that is no later five Business Days following the date that financial statements for such fiscal year are required to be delivered pursuant to Section 7.01(a), the Loan Obligations shall be prepaid by an amount equal to the ECF Application Amount for such fiscal year less any voluntary prepayments of Term Loans made during such fiscal year (other than such voluntary prepayments that are funded by the proceeds of Indebtedness).

(v) Eurodollar Prepayment Account. If the Parent Borrower is required to make a mandatory prepayment of Eurodollar Rate Loans under this Section 2.06(b), so long as no Event of Default exists, the Parent Borrower shall have the right, in lieu of making such prepayment in full, to deposit an amount equal to such mandatory prepayment with the Applicable Agent in a cash collateral account maintained (pursuant to documentation reasonably satisfactory to the Applicable Agent) by and in the sole dominion and control of the Applicable Agent. Any amounts so deposited shall be held by the Applicable Agent as collateral for the prepayment of such Eurodollar Rate Loans and shall be applied to the prepayment of the applicable Eurodollar Rate Loans at the earliest of (x) the end of the current Interest Periods applicable thereto, (y) three months following the date of such deposit and (z) at the election of the Applicable Agent, upon the occurrence of an Event of Default. At the request of the Parent Borrower, amounts so deposited shall be invested by the Applicable Agent in Cash Equivalents maturing on or prior to the date or dates on which it is anticipated that such amounts will be applied to prepay such Eurodollar Rate Loans; any interest earned on such Cash Equivalents will be for the account of the Parent Borrower and the Parent Borrower will deposit with the Applicable Agent the amount of any loss on any such Cash Equivalents to the extent necessary in order that the amount of the prepayment to be made with the deposited amounts may not be reduced.

(c) Application. Within each Loan, prepayments will be applied first to Base Rate Loans, then to Eurodollar Rate Loans in direct order of Interest Period maturities. In addition:

(i) Voluntary Prepayments of Loans. Prepayments of the Term A Loans or Term B Loans pursuant to Section 2.06(a) shall be applied to either tranche of Term Loans as directed by the Parent Borrower (and, within such tranche, shall be applied to the payments required under Section 2.05(c) (in the case of the Term A Loans) and Section 2.05(d) (in the case of Term B Loans) as directed by the Parent Borrower). Voluntary prepayments on the Loan Obligations will be paid by the Administrative Agent to the Lenders ratably in accordance with their respective interests therein.

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(ii) Mandatory Prepayments of Loans. Mandatory prepayments on the Loan Obligations will be paid by the Applicable Agent to the Lenders ratably in accordance with their respective interests therein; provided that:

(A) Mandatory prepayments in respect of the Revolving Commitments under subsection (b)(i)(A) above shall be applied to the respective Revolving Obligations as appropriate.

(B) Mandatory prepayments in respect of Subject Dispositions and Involuntary Dispositions under subsection (b)(ii) above, Indebtedness under subsection (b)(iii) and Consolidated Excess Cash Flow under subsection (b)(iv) above shall be applied (i) first to the Term A Loans and Term B Loans (pro rata based on the amount of each such tranche of Loans then outstanding and, within such tranche, shall be applied on a pro rata basis to the payments required under Section 2.05(c) (in the case of the Term A Loans) and Section 2.05(d) (in the case of Term B Loans)), then (ii) to the Revolving Obligations (without permanent reduction of the Revolving Commitments).

(iii) Cash Collateralization of B/A Drawings. Amounts to be applied pursuant to this Section 2.06 or Article IX to cash collateralize amounts to become due with respect to outstanding B/As shall be deposited in the Prepayment Account (as defined below). The Canadian Agent shall apply any cash deposited in the Prepayment Account allocable to amounts to become due in respect of B/As on the last day of their respective Contract Periods until all amounts due in respect of outstanding B/As have been prepaid or until all the allocable cash on deposit has been exhausted. For purposes of this Credit Agreement, the term "Prepayment Account" means an account established by a Canadian Borrower with the Canadian Agent and over which the Canadian Agent shall have exclusive dominion and control, including the exclusive right of withdrawal for application in accordance with this paragraph (iii). The Canadian Agent will, at the request of such Canadian Borrower, invest amounts on deposit in the Prepayment Account in short-term, cash equivalent investments selected by the Canadian Agent in consultation with such Canadian Borrower that mature prior to the last day of the applicable Contract Periods of the B/As to be prepaid; provided that the Canadian Agent shall have no obligation to invest amounts on deposit in the Prepayment Account if an Event of Default shall have occurred and be continuing. The Borrowers shall indemnify the Canadian Agent for any losses relating to the investments so that the amount available to prepay amounts due in respect of B/As on the last day of the applicable Contract Period is not less than the amount that would have been available had no investments been made pursuant thereto. Other than any interest earned on such investments (which shall be for the account of such Canadian Borrower, to the extent not necessary for the prepayment of B/As in accordance with this Section 2.06 and Article IX), the Prepayment Account shall not bear interest. Interest or profits, if any, on such investments shall be deposited in the Prepayment Account and reinvested and disbursed as specified above. If the maturity of the Loans and all amounts due hereunder has been accelerated pursuant to Article IX, the Canadian Agent may, in its sole discretion, apply all amounts on deposit in the Prepayment Account to satisfy any of the Obligations in respect of the Loans, Unreimbursed Amounts and B/As (and each Borrower hereby grants to the Canadian Agent a security interest in its Prepayment Account to secure such Obligations).

## **2.07 Termination or Reduction of Commitments.**

The Commitments hereunder may be permanently reduced in whole or in part by notice from the Parent Borrower to the Administrative Agent; provided that (i) any such notice thereof must be received by 12:00 noon (New York time) at least five (5) Business Days prior to the date of reduction or termination and any such reduction or terminations shall be in a minimum amount of \$1.0 million and integral multiples of \$1.0 million in excess thereof; and (ii) the Commitments may not be reduced to an amount less than the Outstanding Amount of Loan Obligations then outstanding thereunder. The Administrative Agent will give prompt notice to the Lenders of any such reduction in Commitments. Any reduction of any Commitments shall be applied to the Commitment of each applicable Lender according to its Pro Rata Share. All commitment or other fees accrued with respect to any Commitment through the effective date of any termination thereof shall be paid on the effective date of such termination. A notice of termination of the Commitments delivered by the Parent Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Parent

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Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied.

## **2.08 Interest.**

(a) Subject to the provisions of subsection (b) below, (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Adjusted Eurodollar Rate for such Interest Period plus the Applicable Percentage; (ii) each Loan that is a Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Percentage; and (iii) each Swingline Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Percentage.

(b) If any amount payable by the Borrowers under any Credit Document is not paid when due, then such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Law.

(c) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(d) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

## **2.09 Fees.**

(a) Commitment Fees. The Parent Borrower shall pay to the Administrative Agent for the account of (x) each Dollar Revolving Lender in accordance with its Dollar Revolving Commitment Percentage, a commitment fee equal to 0.50% per annum times the actual daily amount by which the Aggregate Dollar Revolving Committed Amount exceeds the sum of (i) the Outstanding Amount of Dollar Revolving Loans (but not, for the avoidance of doubt, any Swingline Loans) and (ii) the Outstanding Amount of Dollar Facility L/C Obligations, (y) each Limited Currency Revolving Lender in accordance with its Limited Currency Revolving Commitment Percentage, a commitment fee equal to 0.50% per annum times the actual daily amount by which the Aggregate Limited Currency Revolving Committed Amount exceeds the sum of (i) the Outstanding Amount of Limited Currency Revolving Loans and (ii) the Outstanding Amount of Limited Currency Facility L/C Obligations and (z) each Multicurrency Revolving Lender in accordance with its Multicurrency Revolving Commitment Percentage, a commitment fee equal to 0.50% per annum times the actual daily amount by which the Aggregate Multicurrency Revolving Committed Amount exceeds the Outstanding Amount of Multicurrency Revolving Loans (such fees, collectively, the "Commitment Fees"). The Commitment Fees shall accrue from and including the Closing Date, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date. The Commitment Fees shall be calculated quarterly in arrears.

(b) Letter of Credit Fees.

(i) Letter of Credit Fees. The Parent Borrower shall pay to the Administrative Agent, for the account of each L/C Revolving Lender in accordance with its L/C Commitment Percentage, a Letter of Credit fee, in Dollars, for each Letter of Credit, an amount equal to the Applicable Percentage for Revolving Loans that are Eurodollar Loans multiplied by the daily maximum undrawn Outstanding Amount under such Letter of Credit (the "Letter of Credit Fees"). For purposes of computing the daily undrawn Outstanding Amount under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.10. The Letter of Credit Fees shall be computed on a quarterly basis in arrears, and shall be due and payable on the tenth (10th) day of each January, April, July and October (for the Letter of Credit Fees accrued during the previous calendar quarter), commencing with the first such date to occur after the issuance of such Letter of Credit, on the L/C Expiration Date and thereafter on demand. If there is any change in the Applicable Percentage during any quarter, the daily amount available to be

drawn under each Letter of Credit shall be computed and multiplied by the Applicable Percentage separately for each period during such quarter that such Applicable Percentage was in effect. Notwithstanding anything to the contrary contained herein, while any Event of Default has occurred and is continuing under Section 9.01(a), (f) or (h), all Letter of Credit Fees shall accrue at the Default Rate.

(ii) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuers. The Parent Borrower shall pay directly to each L/C Issuer for its own account a fronting fee with respect to each Letter of Credit issued by it, 0.125% of the daily undrawn Outstanding Amount under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable on the tenth (10th) day of each January, April, July and October (for fronting fees accrued during the previous calendar quarter or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the L/C Expiration Date and thereafter on demand. For purposes of computing the daily undrawn Outstanding Amount under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.10. In addition, the applicable Borrower shall pay directly to each L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the applicable L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(c) B/A Fees. Each Canadian Borrower agrees to pay to the Canadian Agent, in Dollars, for the account of each Multicurrency Revolving Lender, on each date on which a B/A drawn by such Canadian Borrower is accepted hereunder an acceptance fee (the "B/A Fee") computed by multiplying the Dollar Equivalent of the face amount of each such B/A by the product of (i) the Applicable Percentage for B/A Drawings on such date multiplied by (ii) a fraction, the numerator of which is the number of days in the Contract Period applicable to such B/A and the denominator of which is 365.

(d) Other Fees. The Parent Borrower shall pay to JPMCB, the Lead Arrangers, Goldman Sachs Lending Partners LLC and Deutsche Bank Trust Company Americas, for their own respective accounts, fees in the amounts and at the times specified in the Engagement Letter. The Parent Borrower shall also pay to the Administrative Agent, for its own account, fees in the amounts and at the times specified in the Administrative Agent Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

The applicable Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

## **2.10 Computation of Interest and Fees.**

All computations of interest for Base Rate loans denominated in Canadian Dollars and Base Rate Loans denominated in Dollars when the Base Rate is determined by JPMCB's prime rate shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year), or, in the case of interest in respect of Eurodollar Loans denominated in Alternative Currencies as to which market practice differs from the foregoing, in accordance with such market practice. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.11(a), bear interest for one (1) day. Each determination by the Applicable Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

## **2.11 Payments Generally; Applicable Agent's Clawback.**

(a) General. All payments to be made by any Credit Party hereunder shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. All payments of principal and interest on any Loan shall be payable in the same currency as such Loan is denominated. All payments of fees pursuant to Section 2.09 shall be payable in Dollars. All payments in respect of Unreimbursed Amounts shall be payable in the currency

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provided in Section 2.03. All other payments herein shall be payable in the currency specified with respect to such payment or, if the currency is not specified, in Dollars. Except as otherwise expressly provided herein, all payments by the Borrowers shall be made to the Applicable Agent, for the account of the Lenders to which such payment is owed, at the Applicable Agent's Office in Same Day Funds not later than 3:00 p.m. Local Time on the date specified herein. The Applicable Agent will promptly distribute to each Lender its Pro Rata Share of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Applicable Agent after 3:00 p.m. Local Time shall be deemed received on the immediately succeeding Business Day and any applicable interest or fee shall continue to accrue. Subject to the definition of "Interest Period," if any payment to be made by the Borrowers shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Applicable Agent. Unless the Applicable Agent shall have received notice from a Lender prior to the proposed time of any Borrowing or acceptance and purchase of B/As that such Lender will not make available to the Applicable Agent such Lender's share of such Borrowing or the applicable Discount Proceeds (net of applicable acceptance fees), the Applicable Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing or the applicable Discount Proceeds (net of applicable acceptance fees) available to the Applicable Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Applicable Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to such Borrower to but excluding the date of payment to the Applicable Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing and (B) in the case of a payment to be made by such Borrower, the interest rate applicable to Base Rate Loans. If such Borrower and such Lender shall pay such interest to the Applicable Agent for the same or an overlapping period, the Applicable Agent shall promptly remit to such Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Applicable Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing or such Lender's acceptance and purchase of B/As. Any payment by any Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to the Applicable Agent.

(ii) Payments by the Borrowers; Presumptions by Applicable Agent. Unless the Applicable Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to the Applicable Agent for the account of the Lenders or the applicable L/C Issuer hereunder that the applicable Borrower will not make such payment, the Applicable Agent may assume that the applicable Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the applicable Lenders or the applicable L/C Issuer, as the case may be, the amount due. In such event, if the applicable Borrower has not in fact made such payment, then each of the Lenders or the L/C Issuers, as the case may be, receiving any such payment severally agrees to repay to the Applicable Agent forthwith on demand the amount so distributed to such Lender or L/C Issuer, in Same Day Funds 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 Applicable Agent, at the greater of the Federal Funds Rate and a rate determined by the Applicable Agent in accordance with banking industry rules on interbank compensation.

A notice of the Applicable Agent to any Lender or any Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Applicable Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the applicable Borrower by the Applicable Agent because the conditions to the applicable Credit Extension set forth in Article V are not satisfied or waived in accordance with the terms hereof, the Applicable Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) **Obligation of the Lenders Several.** The obligations of the Lenders hereunder to make Loans, to accept and purchase B/As, to fund participations in Letters of Credit and Swingline Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 11.04(c).

(e) **Funding Source.** Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

(f) **Insufficient Funds.** If at any time insufficient funds are received by and available to the Applicable Agent to pay fully all amounts of principal, L/C Borrowings, interest and fees then due hereunder, such funds shall be applied (i) first, toward 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, toward payment of principal and L/C Borrowings then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and L/C Borrowings then due to such parties.

## **2.12 Sharing of Payments by Lenders.**

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it, amounts owing to it in respect of any B/A Drawing or the participations in L/C Obligations or in Swingline Loans held by it resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans, amounts owing in respect of any B/A Drawing or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Applicable Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans, amounts owing in respect of any B/A Drawing and subparticipations in L/C Obligations and Swingline Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by any Borrower pursuant to and in accordance with the express terms of this Credit Agreement or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans, amounts owing to it in respect of any B/A Drawing or subparticipations in L/C Obligations or Swingline Loans to any assignee or participant, other than to any Borrower or any Affiliate thereof (as to which the provisions of this Section shall apply).

Each Credit Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Credit Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Credit Party in the amount of such participation.

Notwithstanding anything to the contrary contained herein, the provisions of this Section 2.12 shall be subject to the express provisions of this Agreement which require, or permit, differing payments to be made to non-Defaulting Lenders as opposed to Defaulting Lenders.

## **2.13 Evidence of Debt.**

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and evidenced by one or more entries in the Register maintained by the Administrative

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Agent, acting solely for purposes of Treasury Regulation Section 5f.103-1(c) as a non-fiduciary agent for the Borrowers, in each case in the ordinary course of business. Each other Agent shall promptly provide the Administrative Agent with all information needed to maintain such accounts in respect of the Loans or B/A Drawings administered by such Agent. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of any Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the applicable Borrower shall execute and deliver to the Administrative Agent a Note for such Lender, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a) above, each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records and, in the case of the Administrative Agent, entries in the Register, evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swingline Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

(c) Each Lender having sold a participation in any of its Obligations, acting solely for this purpose as a non-fiduciary agent for the Borrowers, shall maintain a register for the recordation of the names and addresses of such Participants (and each change thereto, whether by assignment or otherwise) and the rights, interest or obligation of such Participants in any Obligation, in any Commitment and in any right to receive any payments hereunder.

#### **2.14 CAM Exchange.**

(a) On the Revolving CAM Exchange Date, (i) the Revolving Commitments shall automatically and without further act be terminated in accordance with Section 9.02; (ii) each Dollar Revolving Lender shall fund its participation in any outstanding Swingline Loans in accordance with Section 2.04(b); (iii) each L/C Revolving Lender shall fund its L/C Advance in any outstanding L/C Borrowings; and (iv) the Revolving Lenders shall purchase at par (and in the currencies in which such Designated Revolving Obligations are denominated) interests in the Designated Revolving Obligations under each Revolving Facility (and shall make payments to the Applicable Agent for reallocation to other Revolving Lenders to the extent necessary to give effect to such purchase) and shall assume obligations to reimburse the applicable L/C Issuer for L/C Borrowings such that, after giving effect to such payments, each Revolving Lender shall own an interest equal to such Revolving Lender's Revolving CAM Percentage in the Designated Revolving Obligations under each Revolving Facility and shall have the obligation to reimburse each L/C Issuer for its Revolving CAM Percentage of each L/C Borrowing. It is understood and agreed that Revolving Lenders holding interests in B/As on the Revolving CAM Exchange Date shall discharge the obligations to fund such B/As at maturity in exchange for the interests acquired by such Revolving Lenders in funded Revolving Loans in the CAM Exchange. Each Revolving Lender and each Person acquiring a participation from any Revolving Lender as contemplated by Section 11.06 hereby consents and agrees to the Revolving CAM Exchange. Each of the Revolving Lenders agrees from time to time to execute and deliver to the Administrative Agent all such promissory notes and other instruments and documents as the Administrative Agent shall reasonably request to evidence and confirm the respective interests and obligations of the Revolving Lenders after giving effect to the Revolving CAM Exchange, and each Revolving Lender agrees to surrender any promissory notes originally received by it in connection with its Revolving Loans under this Credit Agreement to the Administrative Agent against delivery of any promissory notes so executed and delivered; provided that the failure of any Revolving Lender to deliver or accept any such promissory note, instrument or document shall not affect the validity or effectiveness of the Revolving CAM Exchange.

(b) As a result of the Revolving CAM Exchange, from and after the Revolving CAM Exchange Date, each payment received by the Applicable Agent pursuant to any Credit Document in respect of the Designated Revolving



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Obligations shall be distributed to the Revolving Lenders on a pro rata basis in accordance with their respective Revolving CAM Percentages.

(c) In the event that on or after the Revolving CAM Exchange, an L/C Borrowing is made under any Letter of Credit that is not reimbursed by the applicable Borrower, each Revolving Lender shall provide its L/C Advance to such L/C Issuer for its Revolving CAM Percentage of such L/C Borrowing.

(d) This Section 2.14 shall only apply if there are Foreign Credit Parties on the Revolving CAM Exchange Date.

## **2.15 Canadian Bankers' Acceptances.**

(a) Each acceptance and purchase of B/As of a single Contract Period pursuant to Sections 2.01 or 2.02 shall be made ratably by the Multicurrency Revolving Lenders in accordance with their Multicurrency Revolving Commitment Percentage. The failure of any Multicurrency Revolving Lender to accept any B/A required to be accepted by it shall not relieve any other Multicurrency Revolving Lender of its obligations hereunder; provided that the Multicurrency Revolving Commitments are several and no Multicurrency Revolving Lender shall be responsible for any other Multicurrency Revolving Lender's failure to accept B/As as required.

(b) The B/As of a single Contract Period accepted and purchased on any date shall be in an aggregate amount that is an integral multiple of C\$1,000,000 and not less than C\$5,000,000. The face amount of each B/A shall be C\$100,000 or any whole multiple thereof. If any Multicurrency Revolving Lender's ratable share of the B/As of any Contract Period to be accepted on any date would not be an integral multiple of C\$100,000, the face amount of the B/As accepted by such Multicurrency Revolving Lender may be increased or reduced to the nearest integral multiple of C\$100,000 by the Canadian Agent in its sole discretion. B/As of more than one Contract Period may be outstanding at the same time; provided that there shall not at any time be more than a total of five (5) B/A Drawings outstanding.

(c) To request an acceptance and purchase of B/As, a Canadian Borrower shall notify the Canadian Agent of such request by telephone or by telecopy not later than 10:00 a.m., Local Time, one Business Day before the date of such acceptance and purchase. Each such Loan Notice shall be irrevocable and, if telephonic, shall be confirmed promptly by hand delivery or telecopy to the Canadian Agent of a written request in a form approved by the Canadian Agent and signed by such Canadian Borrower. Each such Loan Notice shall specify the following information:

- (i) the aggregate face amount of the B/As to be accepted and purchased;
- (ii) the date of such acceptance and purchase, which shall be a Business Day;
- (iii) the Contract Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Contract Period" (and which shall in no event end after the Revolving Termination Date); and
- (iv) the location and number of the applicable Canadian Borrower's account to which any funds are to be disbursed, which shall comply with the requirements of Section 2.02. If no Contract Period is specified with respect to any requested acceptance and purchase of B/As, then the Canadian Borrower shall be deemed to have selected a Contract Period of 30 days' duration.

Promptly following receipt of a Loan Notice in accordance with this paragraph, the Canadian Agent shall advise each Multicurrency Revolving Lender of the details thereof and of the amount of B/As to be accepted and purchased by such Multicurrency Revolving Lender.

(d) Each Canadian Borrower hereby appoints each Multicurrency Revolving Lender as its attorney to sign and endorse on its behalf, manually or by facsimile or mechanical signature, as and when deemed necessary by such Multicurrency Revolving Lender, blank forms of B/As. It shall be the responsibility of each Multicurrency

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Revolving Lender to maintain an adequate supply of blank forms of B/As for acceptance under this Credit Agreement. Each Canadian Borrower recognizes and agrees that all B/As signed and/or endorsed on its behalf by any Multicurrency Revolving Lender shall bind such Canadian Borrower as fully and effectually as if manually signed and duly issued by authorized officers of such Canadian Borrower. Each Multicurrency Revolving Lender is hereby authorized to issue such B/As endorsed in blank in such face amounts as may be determined by such Multicurrency Revolving Lender; provided that the aggregate face amount thereof is equal to the aggregate face amount of B/As required to be accepted by such Multicurrency Revolving Lender. No Multicurrency Revolving Lender shall be liable for any damage, loss or claim arising by reason of any loss or improper use of any such instrument unless such loss or improper use results from the gross negligence or willful misconduct of such Multicurrency Revolving Lender. Each Multicurrency Revolving Lender shall maintain a record with respect to B/As (i) received by it from the Canadian Agent in blank hereunder, (ii) voided by it for any reason, (iii) accepted and purchased by it hereunder and (iv) canceled at their respective maturities. Each Multicurrency Revolving Lender further agrees to retain such records in the manner and for the periods provided in applicable provincial or Federal statutes and regulations of Canada and to provide such records to each Canadian Borrower upon its request and at its expense. Upon request by any Canadian Borrower, a Multicurrency Revolving Lender shall cancel all forms of B/A that have been pre-signed or pre-endorsed on behalf of such Canadian Borrower and that are held by such Multicurrency Revolving Lender and are not required to be issued pursuant to this Credit Agreement.

(e) Drafts of each Canadian Borrower to be accepted as B/As hereunder shall be signed as set forth in paragraph (d) above. Notwithstanding that any Person whose signature appears on any B/A may no longer be an authorized signatory for any of the Multicurrency Revolving Lenders or such Canadian Borrower at the date of issuance of such B/A, such signature shall nevertheless be valid and sufficient for all purposes as if such authority had remained in force at the time of such issuance and any such B/A so signed shall be binding on such Canadian Borrower.

(f) Upon acceptance of a B/A by a Multicurrency Revolving Lender, such Multicurrency Revolving Lender shall purchase, or arrange the purchase of, such B/A from the applicable Canadian Borrower at the Discount Rate for such Multicurrency Revolving Lender applicable to such B/A accepted by it and provide to the Canadian Agent the Discount Proceeds for the account of such Canadian Borrower as provided in Section 2.02. The acceptance fee payable by the applicable Canadian Borrower to a Multicurrency Revolving Lender under Section 2.09 in respect of each B/A accepted by such Multicurrency Revolving Lender shall be set off against the Discount Proceeds payable by such Multicurrency Revolving Lender under this paragraph. Notwithstanding the foregoing, in the case of any B/A Drawing resulting from the conversion or continuation of a B/A Drawing or Multicurrency Revolving Loan pursuant to Section 2.02, the net amount that would otherwise be payable to such Canadian Borrower by each Lender pursuant to this paragraph will be applied as provided in Section 2.02(f).

(g) Each Multicurrency Revolving Lender may at any time and from time to time hold, sell, rediscount or otherwise dispose of any or all B/A's accepted and purchased by it.

(h) Each B/A accepted and purchased hereunder shall mature at the end of the Contract Period applicable thereto.

(i) Each Canadian Borrower waives presentment for payment and any other defense to payment of any amounts due to a Multicurrency Revolving Lender in respect of a B/A accepted and purchased by it pursuant to this Credit Agreement which might exist solely by reason of such B/A being held, at the maturity thereof, by such Multicurrency Revolving Lender in its own right and each Canadian Borrower agrees not to claim any days of grace if such Multicurrency Revolving Lender as holder sues each Canadian Borrower on the B/A for payment of the amounts payable by such Canadian Borrower thereunder. On the specified maturity date of a B/A, or such earlier date as may be required pursuant to the provisions of this Credit Agreement, each Canadian Borrower shall pay the Multicurrency Revolving Lender that has accepted and purchased such B/A the full face amount of such B/A, and after such payment such Canadian Borrower shall have no further liability in respect of such B/A and such Multicurrency Revolving Lender shall be entitled to all benefits of, and be responsible for all payments due to third parties under, such B/A.

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(j) At the option of each Canadian Borrower and any Multicurrency Revolving Lender, B/As under this Credit Agreement to be accepted by such Multicurrency Revolving Lender may be issued in the form of depository bills for deposit with The Canadian Depository for Securities Limited pursuant to the Depository Bills and Notes Act (Canada). All depository bills so issued shall be governed by the provisions of this Section 2.15.

(k) If a Multicurrency Revolving Lender is not a chartered bank under the Bank Act (Canada) or if a Multicurrency Revolving Lender notifies the Canadian Agent in writing that it is otherwise unable to accept B/As, such Multicurrency Revolving Lender will, instead of accepting and purchasing B/As, make a Loan (a "B/A Equivalent Loan") to the applicable Canadian Borrower in the amount and for the same term as the draft which such Multicurrency Revolving Lender would otherwise have been required to accept and purchase hereunder. Each such Multicurrency Revolving Lender will provide to the Canadian Agent the Discount Proceeds of such B/A Equivalent Loan for the account of the applicable Canadian Borrower in the same manner as such Multicurrency Revolving Lender would have provided the Discount Proceeds in respect of the draft which such Multicurrency Revolving Lender would otherwise have been required to accept and purchase hereunder. Each such B/A Equivalent Loan will bear interest at the same rate which would result if such Multicurrency Revolving Lender had accepted (and been paid an acceptance fee) and purchased (on a discounted basis) a B/A for the relevant Contract Period (it being the intention of the parties that each such B/A Equivalent Loan shall have the same economic consequences for the Multicurrency Revolving Lenders and the applicable Canadian Borrower as the B/A which such B/A Equivalent Loan replaces). All such interest shall be paid in advance on the date such B/A Equivalent Loan is made, and will be deducted from the principal amount of such B/A Equivalent Loan in the same manner in which the Discount Proceeds of a B/A would be deducted from the face amount of the B/A. Subject to the repayment requirements of this Credit Agreement, on the last day of the relevant Contract Period for such B/A Equivalent Loan, the applicable Canadian Borrower shall be entitled to convert each such B/A Equivalent Loan into another type of Multicurrency Revolving Loan, or to roll over each such B/A Equivalent Loan into another B/A Equivalent Loan, all in accordance with the applicable provisions of this Credit Agreement.

## **2.16 Defaulting Lenders.**

Notwithstanding any provision of this Credit Agreement to the contrary, if any Lender becomes a Defaulting Lender hereunder (as determined by the Administrative Agent or, in the case of clause (d) below, any applicable L/C Issuer), then the following provisions shall apply for so long as such Defaulting Lender is a Defaulting Lender:

(a) the Administrative Agent (or the applicable L/C Issuer, as the case may be) shall promptly notify the Parent Borrower and each Lender that such Lender is a Defaulting Lender for purposes of this Credit Agreement;

(b) fees under Section 2.09(a) shall cease to accrue on the Commitment of such Defaulting Lender (except to the extent reallocated pursuant to Section 2.16(e));

(c) the Commitments and Loans of such Defaulting Lender shall be disregarded for all purposes of any determination of whether the Required Lenders, Required Revolving Lenders, Required Dollar Revolving Lenders, Required L/C Lenders, Required Limited Currency Revolving Lenders, Required Multicurrency Revolving Lenders, Required Term A Lenders or Required Term B Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 11.01);

(d) if any Swingline Loan or Letter of Credit is outstanding at the time the notice described in clause (a) above is provided, the Parent Borrower shall within one Business Day following notice by the Administrative Agent (i) prepay such Swingline Loan and (ii) cash collateralize such Defaulting Lender's L/C Obligations in accordance with Section 2.03(a)(ii)(F) and on terms similar to the procedures set forth in Section 2.03(g) for so long as such L/C Obligations are outstanding; provided that (A) to the extent the sum of the total Dollar Revolving Obligations (other than any Dollar Revolving Obligations constituting outstanding Dollar Revolving Loans made by any Defaulting Lender but including each Defaulting Lender's Dollar Facility L/C Obligations and Swingline Exposure) does not exceed the sum of the total Dollar Revolving Commitments (excluding the Dollar Revolving Commitment of any Defaulting Lender

except to the extent of any outstanding Dollar Revolving Loans of such Defaulting Lender), the Administrative Agent may, by notice to the Dollar Revolving Lenders, elect to reallocate the Swingline Exposure among all non-Defaulting Lenders under the Dollar Revolving Facility by disregarding the Dollar Revolving Commitments of all Defaulting Lenders (except to the extent of any outstanding Dollar Revolving Loans of such Defaulting Lenders) for purposes of calculating each non-Defaulting Lender's Dollar Revolving Commitment Percentage, and to the extent the Administrative Agent elects to require such reallocation in accordance with the foregoing, no such Swingline Loan shall be required to be repaid pursuant to this Section 2.16(d) to the extent of such reallocation and (B) to the extent the sum of the total Dollar Revolving Obligations (other than any Dollar Revolving Obligations constituting outstanding Dollar Revolving Loans made by any Defaulting Lender but including each Defaulting Lender's Dollar Facility L/C Obligations and Swingline Exposure) plus the total Limited Currency Revolving Obligations (other than any Limited Currency Revolving Obligations constituting outstanding Limited Currency Revolving Loans made by any Defaulting Lender but including each Defaulting Lender's Limited Currency Facility L/C Obligations) does not exceed the sum of the total Dollar Revolving Commitments (excluding the Dollar Revolving Commitment of any Defaulting Lender except to the extent of any outstanding Dollar Revolving Loans of such Defaulting Lender) plus the total Limited Currency Revolving Commitments (excluding the Limited Currency Revolving Commitment of any Defaulting Lender except to the extent of any outstanding Limited Currency Revolving Loans of such Defaulting Lender), the Administrative Agent may, by notice to the Dollar Revolving Lenders and the Limited Currency Revolving Lenders, elect to reallocate the L/C Obligations among all non-Defaulting Lenders under the Dollar Revolving Facility and Limited Currency Revolving Facility by disregarding the Dollar Revolving Commitments and Limited Currency Revolving Commitments of all Defaulting Lenders (except to the extent of any outstanding Loans of such Defaulting Lenders) for purposes of calculating each non-Defaulting Lender's L/C Commitment Percentage, and to the extent the Administrative Agent elects to require such reallocation in accordance with the foregoing, no such L/C Obligations shall be required to be cash collateralized pursuant to this Section 2.16(d) to the extent of such reallocation; provided that the reallocation pursuant to the foregoing shall not be permitted to the extent it would cause (x) any Dollar Revolving Lender's Dollar Revolving Obligations to exceed its Dollar Revolving Committed Amount or (y) any Limited Currency Revolving Lender's Limited Currency Revolving Obligations to exceed its Limited Currency Revolving Committed Amount.

(e) to the extent:

(i) the Parent Borrower cash collateralizes any Defaulting Lender's L/C Obligations pursuant to Section 2.16(d), the Parent Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.09(b)(i) with respect to such Defaulting Lender's L/C Obligations during the period such Defaulting Lender's L/C Obligations are cash collateralized (but shall be reallocated pursuant to clause (ii) below);

(ii) the L/C Obligations of the non-Defaulting Lenders are reallocated pursuant to each applicable proviso to Section 2.16(d) above, then the fees payable to the Lenders pursuant to Section 2.09(b)(i) shall be adjusted proportionately to reflect such reallocation; or

(iii) the Parent Borrower fails to cash collateralize any Defaulting Lender's L/C Obligations pursuant to Section 2.16(d) above and the L/C Obligations are not reallocated pursuant to either proviso, as applicable, to Section 2.16(d) above, then, without prejudice to any rights or remedies of any L/C Issuer or any Lender hereunder, then all fees that otherwise would have been payable to such Defaulting Lender pursuant to Section 2.09(b)(i) with respect to such Defaulting Lender's L/C Obligations shall be payable to each applicable L/C Issuer until such L/C Obligations are cash collateralized or reallocated pursuant to Section 2.16(d);

(f) for purposes of determining:

(i) the amount of the total Commitments for purposes of Section 2.01, 2.03(b) and 2.04(a), the Commitment of each Defaulting Lender shall be excluded therefrom (other than any

portion of such Commitment pursuant to which there is then outstanding a Loan from such Defaulting Lender); and

(ii) the applicable L/C Obligations of any Lender with respect to any Letter of Credit that is issued, increased (to the extent of the increase only) or renewed (but, for the avoidance of doubt, not with respect to any other applicable L/C Obligations relating to any other Letter of Credit) during the period in which there is a Defaulting Lender or the Swingline Exposure of any Lender with respect to any Swingline Loan made during the period in which there is a Defaulting Lender, the Commitment of such Defaulting Lender shall be deemed to be zero; and

(g) in the Administrative Agent's sole discretion:

(i) any prepayment of the principal amount of any Loans shall be applied solely to prepay the Loans of all non-Defaulting Lenders pro rata prior to being applied to the prepayment of any Loans of any Defaulting Lender; and

(ii) subject to Section 2.16(e)(iii), any amount payable to such Defaulting Lender pursuant to this Credit Agreement (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender pursuant to Section 2.12 or Section 3.06(b)) may, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated non-interest bearing account and, subject to any applicable requirements of law, be applied at such time or times as may be determined by the Administrative Agent (i) first, pro rata, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent, applicable L/C Issuer or Swingline Lender hereunder, (ii) second, pro rata, to the payment of any amounts owing to the Borrowers or the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Borrower or any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Credit Agreement and (iii) third, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction.

In the event that the Administrative Agent, the Parent Borrower, each applicable L/C Issuer and the Swingline Lender each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, the Administrative Agent shall promptly notify each Lender that such Lender has ceased to be a Defaulting Lender and, from and after the date of such notification, the Swingline Exposure and L/C Obligations 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 (other than Swingline Loans) as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Dollar Facility Percentage and Limited Currency Facility Percentage.

## ARTICLE III

### TAXES, YIELD PROTECTION AND ILLEGALITY

#### 3.01 Taxes.

(a) Payments Free of Taxes. Except as otherwise required by law (as determined in the good faith discretion of the applicable withholding agent), any and all payments by or on account of any obligation of the Credit Parties hereunder or under any other Credit Document shall be made free and clear of and without reduction or withholding for any Indemnified Taxes or Other Taxes, provided that if the applicable withholding agent shall be required by applicable law (as determined in the good faith discretion of the applicable withholding agent) to deduct or withhold any Indemnified Taxes (including any Other Taxes) from such payments, then (i) the sum payable by the applicable Credit Party shall be increased as necessary so that after all required deductions or withholdings have been made (including deductions or withholdings applicable to additional sums payable under this Section) the Applicable Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) the applicable withholding agent shall make such deductions or

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withholdings and (iii) the applicable withholding agent shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) Payment of Other Taxes. Without limiting the provisions of subsection (a) above, the applicable Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Indemnification by the Applicable Borrower. Without duplication of any amounts payable under Section 3.01(a), the applicable Borrower shall indemnify the Applicable Agent and each Lender within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) payable by the Applicable Agent or such Lender, as the case may be, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other 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 applicable Borrower by a Lender (with a copy to the Administrative Agent), or by the Applicable Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. Upon the reasonable request of any Credit Party, the Lenders, and the Applicable Agent agree to use their reasonable efforts to cooperate with such Credit Party (at such Credit Party's direction and expense) in contesting the imposition of, or claiming a refund of, any Indemnified Taxes or Other Taxes paid by such Credit Party, whether directly to a Governmental Authority or pursuant to this Section, that such Credit Party reasonably believes were not correctly or legally asserted by the relevant Governmental Authority unless such Lender or the Applicable Agent, as the case may be, determines in good faith that pursuing such a contest or refund would be materially disadvantageous to it.

(d) Evidence of Payments. As soon as reasonably practicable after any payment of Indemnified Taxes or Other Taxes by a Credit Party to a Governmental Authority, such Credit Party shall deliver to the Applicable 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 Applicable Agent.

(e) Status of Lenders. Each Lender shall, at such times as are reasonably requested by the applicable Borrower or the Applicable Agent, provide such Borrower and the Applicable Agent with any documentation prescribed by Law, or reasonably requested by such Borrower or the Applicable Agent, certifying as to any entitlement of such Lender to an exemption from, or reduction in, any withholding Tax with respect to any payments to be made to such Lender under the Credit Documents. Each such Lender shall, whenever a lapse in time or change in circumstances renders such documentation expired, obsolete or inaccurate in any material respect, deliver promptly to such Borrower and the Applicable Agent updated or other appropriate documentation (including any new documentation reasonably requested by the applicable withholding agent) or promptly notify such Borrower and the Applicable Agent of its inability to do so. Unless the applicable withholding agent has received forms or other documents satisfactory to it indicating that payments under any Credit Document to or for a Lender are not subject to withholding tax or are subject to such Tax at a rate reduced by an applicable tax treaty, the applicable Borrower, Applicable Agent or other applicable withholding agent shall withhold amounts required to be withheld by applicable Law from such payments at the applicable statutory rate.

Without limiting the generality of the foregoing:

(i) Each Lender that is a United States person (as defined in Section 7701(a)(30) of the Code) shall deliver to the Parent Borrower and the Administrative Agent on or before the date on which it becomes a party to this Agreement (and from time to time thereafter when required by Law or upon the reasonable request of the Parent Borrower or the Administrative Agent) two properly completed and duly signed original copies of Internal Revenue Service Form W-9 (or any successor form) certifying that such Lender is exempt from U.S. federal backup withholding,

(ii) Each Foreign Lender shall deliver to the Parent Borrower and the Administrative Agent on or before the date on which it becomes a party to this Agreement (and from time to time thereafter when

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required by Law or upon the reasonable request of the Parent Borrower or the Administrative Agent) whichever of the following is applicable:

(A) two duly completed copies of Internal Revenue Service Form W-8BEN (or any successor forms) claiming eligibility for benefits of an income tax treaty to which the United States of America is a party.

(B) two duly completed copies of Internal Revenue Service Form W-8ECI (or any successor forms),

(C) in the case of a Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate, in substantially the form of Exhibit 3.01(e) (any such certificate a “United States Tax Compliance Certificate”), or any other form approved by the Administrative Agent, to the effect that such Lender is not (A) a “bank” within the meaning of Section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the Parent Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code, and that no payments in connection with the Credit Documents are effectively connected with such Lender’s conduct of a U.S. trade or business and (y) two duly completed copies of Internal Revenue Service Form W-8BEN (or any successor forms),

(D) to the extent a Lender is not the beneficial owner (for example, where the Lender is a partnership, or is a Lender that has granted a participation), Internal Revenue Service Form W-8IMY (or any successor forms) of the Lender, accompanied by a Form W-8ECI, W-8BEN, United States Tax Compliance Certificate, Form W-9, Form W-8IMY (or other successor forms) or any other required information from each beneficial owner, as applicable (provided that, if the Lender is a partnership (and not a participating Lender) and one or more beneficial owners are claiming the portfolio interest exemption, the United States Tax Compliance Certificate shall be provided by such Lender on behalf of such beneficial owner(s)), or

(E) any other form prescribed by applicable requirements of U.S. federal income tax 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 requirements of Law to permit the Parent Borrower and the Administrative Agent to determine the withholding or deduction required to be made.

Each Lender shall, from time to time after the initial delivery by such Lender of the forms described above, whenever a lapse in time or change in such Lender’s circumstances renders such forms, certificates or other evidence so delivered expired, obsolete or inaccurate, promptly (1) deliver to the applicable Borrower and the Applicable Agent (in such number of copies as shall be reasonably requested by the recipient) renewals, amendments or additional or successor forms, properly completed and duly executed by such Lender, together with any other certificate or statement of exemption required in order to confirm or establish such Lender’s status or that such Lender is entitled to an exemption from or reduction in U.S. federal withholding tax or (2) notify the Applicable Agent and the applicable Borrower of its inability to deliver any such forms, certificates or other evidence.

Notwithstanding any other provision of this clause (e), a Lender shall not be required to deliver any form that such Lender is not legally eligible to deliver.

(f) Treatment of Certain Refunds. If the Applicable Agent or any Lender determines, in its reasonable discretion, that it has received a refund of any Indemnified Taxes or Other Taxes as to which it has been indemnified by any Credit Party or with respect to which a Credit Party has paid additional amounts pursuant to this Section, it shall pay to the applicable Credit Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Credit Party under this Section with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of such Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the applicable Credit Party, upon the request of the Applicable Agent

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or such Lender, agrees to repay the amount paid over to such Credit Party (plus any penalties, interest (attributable to the period of time that the Parent Borrower had use of such funds) or other charges imposed by the relevant Governmental Authority) to the Applicable Agent or such Lender in the event the Applicable Agent or such Lender is required to repay such refund to such Governmental Authority. This subsection shall not be construed to require the Applicable Agent or any Lender to make available its Tax returns (or any other information relating to its taxes that it deems confidential) to the Parent Borrower or any other Person. Notwithstanding anything to the contrary, in no event will any Lender be required to pay any amount to any Credit Party the payment of which would place such Lender in a less favorable net after-tax position that such Lender or would have been in if the Indemnified or other Tax giving rise to such refund had never been imposed.

(g) Payments made by the Applicable Agent. For the avoidance of doubt, any payments made by the Applicable Agent to any Lender shall be treated as payments made by the applicable Credit Party.

(h) Lender treated as Partnership. If any Lender is treated as a partnership for purposes of an applicable Indemnified Tax or Other Tax, any withholding made by such Lender in accordance with applicable law and pursuant to Section 3.01(a) shall be treated as if such withholding had been made by the applicable Borrower or the Applicable Agent, and in such case, the definition of Excluded Taxes shall be applied by reference to each partner of such Lender.

(i) Issuing Banks and Swingline Lenders. For purposes of this Section 3.01, the term "Lender" shall include any L/C Issuer and the Swingline Lender.

### **3.02 Illegality.**

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Eurodollar Rate Loans, or to determine or charge interest rates based upon the Adjusted Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Parent Borrower through the Administrative Agent, any obligation of such Lender to make or continue Eurodollar Rate Loans or to convert Loans that are Base Rate Loans to Eurodollar Rate Loans shall be suspended until such Lender notifies the Administrative Agent and the Parent Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Parent Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans of such Lender to Base Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans. Upon any such prepayment or conversion, the Parent Borrower shall also pay accrued interest on the amount so prepaid or converted.

### **3.03 Inability to Determine Rates.**

If the Required Lenders determine that for any reason in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof that (a) Dollar deposits are not being offered to banks in the London interbank Eurodollar market for the applicable amount and Interest Period of such Eurodollar Rate Loan, (b) adequate and reasonable means do not exist for determining the Adjusted Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan, or (c) the Adjusted Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Parent Borrower and each Lender. Thereafter, the obligation of the Lenders to make or maintain Eurodollar Rate Loans shall be suspended until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Parent Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Loans that are Base Rate Loans in the amount specified therein.



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### 3.04 Increased Cost; Capital Adequacy.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Adjusted Eurodollar Rate) or L/C Issuer;

(ii) subject any Lender or L/C Issuer to any tax of any kind whatsoever with respect to this Credit Agreement, any Letter of Credit, any participation in a Letter of Credit or any Loan made by it, or change the basis of taxation of payments to such Lender or L/C Issuer in respect thereof (except, in each case, for Indemnified Taxes or Other Taxes, which shall be governed exclusively by Section 3.01 and the imposition of, or any change in the rate of, any Excluded Tax payable by such Lender or L/C Issuer); or

(iii) impose on any Lender or L/C Issuer or the London or Canadian interbank market any other condition, cost or expense affecting this Credit Agreement or Eurodollar Rate Loans or B/A Drawings made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Rate Loan (or, in the case of clause (ii) above, any Loan) or obtaining funds for the purchase of B/As, or of maintaining its obligation to make any such Loan or accept and purchase B/As, or to increase the cost to such Lender or L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or L/C Issuer, the Parent Borrower will pay to such Lender or L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or L/C Issuer determines that any Change in Law affecting such Lender or L/C Issuer or any Lending Office of such Lender or such Lender's or L/C Issuer's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or L/C Issuer's capital or on the capital of such Lender's or L/C Issuer's holding company, if any, as a consequence of this Credit Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such L/C Issuer, to a level below that which such Lender or L/C Issuer or such Lender's or L/C Issuer's holding company could have achieved but for such Change in Law, then from time to time the Parent Borrower will pay to such Lender or L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or L/C Issuer or such Lender's or L/C Issuer's holding company for any such reduction suffered.

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

(d) Delay in Requests. Failure or delay on the part of any Lender or L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or L/C Issuer's right to demand such compensation, provided that the Parent Borrower shall not be required to compensate a Lender or L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender or L/C Issuer, as the case may be, notifies the Parent Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

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### **3.05 Compensation for Losses.**

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Parent Borrower shall promptly compensate such Lender for and hold such Lender harmless from any reasonable loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise); or

(b) the payment of any principal in respect of a B/A other than on the last day of a Contract Period for such B/A (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise); or

(c) any failure by the Parent Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan on the date or in the amount notified by the Parent Borrower; or

(d) any assignment of a Eurodollar Rate Loan or the right to receive payment in respect of a B/A on a day other than the last day of the Interest Period or Contract Period, as the case may be, therefor as a result of a request by the Parent Borrower pursuant to Section 11.13;

including any reasonable loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. A certificate as to the amount of such payment or liability delivered to the Parent Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on behalf of a Lender, shall be conclusive absent manifest error.

For purposes of calculating amounts payable by the Parent Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Adjusted Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

### **3.06 Mitigation Obligations; Replacement of Lenders.**

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or the Parent Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, 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 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Parent Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, the Parent Borrower may replace such Lender in accordance with Section 11.13.

(c) Limitation on Additional Amounts, Etc. Notwithstanding anything to the contrary contained in this Article III of this Credit Agreement, unless a Lender gives notice to the Parent Borrower that it is obligated to pay an amount under this Article within nine (9) months after the latest of (i) the date the Lender incurs the respective increased costs, loss, expense or liability, reduction in amounts received or receivable or reduction in return on capital, (ii) the date such Lender has actual knowledge of its incurrence of the respective increased costs, loss, expense or liability, reductions in amounts received or receivable or reduction in return on capital or (iii) where the

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increased costs, loss, expense, liability, etc. relates to a third party claim (e.g., a tax claim), the date on which the Lender has actual knowledge of such claim, then such Lender shall not be entitled to be compensated for such amounts by the Parent Borrower pursuant to this Article III to the extent any portion of such amounts are directly attributable (e.g., late penalties payable on a third party claim) to such Lender's failure to provide notice within the required period.

### **3.07 Survival Losses.**

All of the Parent Borrower's obligations under this Article III shall survive termination of the Aggregate Commitments and repayment of all other Obligations hereunder.

### **3.08 Additional Reserve Costs.**

(a) In the case of any Lender making a Limited Currency Revolving Loan or Multicurrency Revolving Loan from a Lending Office in the United Kingdom or a Participating Member State, such Lender shall be entitled to require the Parent Borrower to pay, contemporaneously with each payment of interest on each of such Loans, additional interest on such Loan at a rate per annum equal to the Mandatory Cost Rate calculated in accordance with the formula and in the manner set forth in Schedule 3.08 hereto.

(b) For so long as any Lender is required to comply with reserve assets, liquidity, cash margin or other requirements of any monetary or other authority (including any such requirement imposed by the European Central Bank, the European System of Central Banks or the Bank of Canada, but excluding requirements reflected in the Statutory Reserves or the Mandatory Cost Rate) in respect of any of such Lender's Eurodollar Rate Loans, such Lender shall be entitled to require the Parent Borrower to pay, contemporaneously with each payment of interest on each of such Lender's Loans subject to such requirements, additional interest on such Loan at a rate per annum specified by such Lender to be the cost to such Lender of complying with such requirements in relation to such Loan.

(c) Any additional interest owed pursuant to paragraph (a) or (b) above shall be determined in reasonable detail by the applicable Lender, which determination shall be conclusive absent manifest error, and notified to the Parent Borrower (with a copy to the Administrative Agent) at least five Business Days before each date on which interest is payable for the applicable Loan, and such additional interest so notified to the Parent Borrower by such Lender shall be payable to the Administrative Agent for the account of such Lender on each date on which interest is payable for such Loan.

## **ARTICLE IV**

### **GUARANTY**

#### **4.01 The Guaranty.**

(a) Each of the Parent Borrower and the Domestic Guarantors hereby jointly and severally guarantees to the Administrative Agent and each of the holders of the Obligations, as hereinafter provided, as primary obligor and not as surety, the prompt payment of the Borrower Obligations (the "Domestic Guaranteed Obligations") in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory cash collateralization or otherwise) strictly in accordance with the terms thereof. The Domestic Guarantors hereby further agree that if any of the Domestic Guaranteed Obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory cash collateralization or otherwise), the Domestic Guarantors will, jointly and severally, promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Domestic Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration, as a mandatory cash collateralization or otherwise) in accordance with the terms of such extension or renewal.

(b) Notwithstanding any provision to the contrary contained herein, in any other of the Credit Documents, Swap Contracts or other documents relating to the Domestic Guaranteed Obligations, the obligations of each

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Domestic Guarantor under this Credit Agreement and the other Credit Documents shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under the Debtor Relief Laws or any comparable provisions of any applicable state law.

#### **4.02 Obligations Unconditional.**

The obligations of the Domestic Guarantors under Section 4.01 are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Credit Documents or other documents relating to the Obligations, or any substitution, compromise, release, impairment or exchange of any other guarantee of or security for any of the Domestic Guaranteed Obligations, and, to the fullest extent permitted by applicable Law, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 4.02 that the obligations of the Domestic Guarantors hereunder shall be absolute and unconditional under any and all circumstances. Each Domestic Guarantor agrees that such Domestic Guarantor shall have no right of subrogation, indemnity, reimbursement or contribution against the Borrowers or any other Domestic Guarantor for amounts paid under this Article IV until such time as the Obligations have been irrevocably paid in full and the commitments relating thereto have expired or been terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by law, the occurrence of any one or more of the following shall not alter or impair the liability of any Domestic Guarantor hereunder, which shall remain absolute and unconditional as described above:

(a) at any time or from time to time, without notice to any Domestic Guarantor, the time for any performance of or compliance with any of the Domestic Guaranteed Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of any of the Credit Documents, or other documents relating to the Domestic Guaranteed Obligations or any other agreement or instrument referred to therein shall be done or omitted;

(c) the maturity of any of the Domestic Guaranteed Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Credit Documents or other documents relating to the Domestic Guaranteed Obligations, or any other agreement or instrument referred to therein shall be waived or any other guarantee of any of the Domestic Guaranteed Obligations or any security therefor shall be released, impaired or exchanged in whole or in part or otherwise dealt with;

(d) any Lien granted to, or in favor of, the Administrative Agent or any of the holders of the Domestic Guaranteed Obligations as security for any of the Domestic Guaranteed Obligations shall fail to attach or be perfected; or

(e) any of the Domestic Guaranteed Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Domestic Guarantor) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Domestic Guarantor).

With respect to its obligations hereunder, each Domestic Guarantor hereby expressly waives diligence, presentment, demand of payment, protest, notice of acceptance of the guaranty given hereby and of extensions of credit that may constitute obligations guaranteed hereby, notices of amendments, waivers and supplements to the Credit Documents and other documents relating to the Domestic Guaranteed Obligations, or the compromise, release or exchange of collateral or security, and all notices whatsoever, and any requirement that the Administrative Agent or any holder of the Domestic Guaranteed Obligations exhaust any right, power or remedy or proceed against any Person under any of the Credit Documents or any other documents relating to the Domestic Guaranteed Obligations or any other agreement or instrument referred to therein, or against any other Person under any other guarantee of, or security for, any of the Obligations.

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#### **4.03 Reinstatement.**

Neither the Domestic Guarantors' obligations hereunder nor any remedy for the enforcement thereof shall be impaired, modified, changed or released in any manner whatsoever by an impairment, modification, change, release or limitation of the liability of any Borrower, by reason of such Borrower's bankruptcy or insolvency or by reason of the invalidity or unenforceability of all or any portion of the Domestic Guaranteed Obligations. The obligations of the Domestic Guarantors under this Article IV shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Domestic Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings pursuant to any Debtor Relief Law or otherwise, and each Domestic Guarantor agrees that it will indemnify the Administrative Agent and each holder of Domestic Guaranteed Obligations on demand for all reasonable costs and expenses (including all reasonable fees, expenses and disbursements of any law firm or other counsel) incurred by the Administrative Agent or such holder of Domestic Guaranteed Obligations in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any Debtor Relief Law.

#### **4.04 Certain Waivers.**

Each Domestic Guarantor acknowledges and agrees that (a) the guaranty given hereby may be enforced without the necessity of resorting to or otherwise exhausting remedies in respect of any other security or collateral interests, and without the necessity at any time of having to take recourse against any Borrower hereunder or against any collateral securing the Domestic Guaranteed Obligations or otherwise, (b) it will not assert any right to require the action first be taken against any Borrower or any other Person (including any co-guarantor) or pursuit of any other remedy or enforcement of any other right and (c) nothing contained herein shall prevent or limit action being taken against the Borrowers hereunder, under the other Credit Documents or the other documents and agreements relating to the Domestic Guaranteed Obligations or from foreclosing on any security or collateral interests relating hereto or thereto, or from exercising any other rights or remedies available in respect thereof, if neither the applicable Borrower nor the Domestic Guarantors shall timely perform their obligations, and the exercise of any such rights and completion of any such foreclosure proceedings shall not constitute a discharge of the Domestic Guarantors' obligations hereunder unless as a result thereof, the Domestic Guaranteed Obligations shall have been indefeasibly paid in full and the commitments relating thereto shall have expired or been terminated, it being the purpose and intent that the Domestic Guarantors' obligations hereunder be absolute, irrevocable, independent and unconditional under all circumstances.

#### **4.05 Remedies.**

The Domestic Guarantors agree that, to the fullest extent permitted by law, as between the Domestic Guarantors, on the one hand, and the Administrative Agent and the holders of the Domestic Guaranteed Obligations, on the other hand, the Domestic Guaranteed Obligations may be declared to be forthwith due and payable as provided in Section 9.02 (and shall be deemed to have become automatically due and payable in the circumstances provided in Section 9.02) for purposes of Section 4.01, notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing the Domestic Guaranteed Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or the Domestic Guaranteed Obligations being deemed to have become automatically due and payable), the Domestic Guaranteed Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Domestic Guarantors for purposes of Section 4.01. The Domestic Guarantors acknowledge and agree that the Domestic Guaranteed Obligations are secured in accordance with the terms of the Collateral Documents and that the holders of the Domestic Guaranteed Obligations may exercise their remedies thereunder in accordance with the terms thereof.

#### **4.06 Rights of Contribution.**

The Domestic Guarantors hereby agree as among themselves that, in connection with payments made hereunder, each Domestic Guarantor shall have a right of contribution from each other Domestic Guarantor in accordance with applicable Law. Such contribution rights shall be subordinate and subject in right of payment to the Domestic Guaranteed Obligations until such time as the Domestic Guaranteed Obligations have been irrevocably

paid in full and the commitments relating thereto shall have expired or been terminated, and none of the Guarantors shall exercise any such contribution rights until the Domestic Guaranteed Obligations have been irrevocably paid in full and the commitments relating thereto shall have expired or been terminated.

**4.07 Guaranty of Payment; Continuing Guaranty.**

The guaranty in this Article IV is a guaranty of payment and not of collection, and is a continuing guaranty, and shall apply to all Domestic Guaranteed Obligations whenever arising.

**ARTICLE V**

**CONDITIONS PRECEDENT TO CREDIT EXTENSIONS**

**5.01 Conditions to Closing Date.**

The effectiveness of this Credit Agreement is subject to the satisfaction of the following conditions precedent:

(a) Executed Credit Agreement. The Administrative Agent's receipt of counterparts of (i) this Credit Agreement, duly executed by a Responsible Officer of each Credit Party and by each Lender party hereto, (ii) the U.S. Security Agreement, duly executed by a Responsible Officer of the Parent Borrower and each Domestic Guarantor, (iii) the U.S. Pledge Agreement, duly executed by a Responsible Officer of the Parent Borrower and each Domestic Guarantor and (iv) Notes, to the extent requested by a Lender by written notice delivered to the Parent Borrower at least five (5) Business Days prior to the Closing Date, duly executed by a Responsible Officer of the Parent Borrower, in each case as dated of the Closing Date and in form and substance satisfactory to the Administrative Agent, the Lead Arrangers and each of the Lenders.

(b) Personal Property Collateral. The Collateral Agent's receipt of the following:

(i) Lien Priority. Evidence, including UCC, tax and judgment lien searches from the jurisdiction of formation and jurisdiction of the chief executive office of each Credit Party and intellectual property searches, that none of the Collateral is subject to any Liens (in each case other than Permitted Liens);

(ii) UCC Financing Statements. Such UCC financing statements as are necessary or appropriate, in the Collateral Agent's discretion, to perfect the security interests in the Collateral;

(iii) Intellectual Property. Such patent, trademark and copyright security agreements as are necessary or appropriate, in the Collateral Agent's discretion, to perfect the security interests in the Credit Parties' material IP Rights;

(iv) Capital Stock. Original certificates evidencing the Capital Stock pledged pursuant to the Collateral Documents and required to be delivered thereunder (to the extent such Capital Stock is certificated), together with undated stock transfer powers executed in blank;

(v) Promissory Notes. Original promissory notes to the extent required by the U.S. Security Agreement, if any, evidencing intercompany loans or advances owing to any Credit Party by any Subsidiary of the Parent Borrower, together with undated allonges executed in blank; and

(vi) Insurance. Copies of insurance certificates or policies with respect to all insurance required to be maintained pursuant to the Credit Documents together with endorsements identifying the Collateral Agent, on behalf of the holders of the Obligations, as additional insured or loss payee, with respect to all insurance policies to be maintained with respect to the properties of the Parent Borrower and its Subsidiaries forming any part of the Collateral.

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(c) Opinions of Counsel. The Administrative Agent's receipt of a customary duly executed opinion of Latham & Watkins LLP and of appropriate local counsel to the Credit Parties, dated as of the Closing Date, in each case, reasonably satisfactory to the Administrative Agent.

(d) Organization Documents, Etc. The Administrative Agent's receipt of a duly executed certificate of a Responsible Officer of each Credit Party, attaching each of the following documents and certifying that each is true, correct and complete and in full force and effect as of the Closing Date:

(i) Charter Documents. Copies of its articles or certificate of organization or formation, certified to be true, correct and complete as of a recent date by the appropriate Governmental Authority of the jurisdiction of its organization or formation;

(ii) Bylaws. Copies of its bylaws, operating agreement or partnership agreement;

(iii) Resolutions. Copies of its resolutions approving and adopting the Credit Documents to which it is party, the transactions contemplated therein, and authorizing the execution and delivery thereof;

(iv) Incumbency. Incumbency certificates identifying the Responsible Officers of such Credit Party that are authorized to execute Credit Documents and to act on such Credit Party's behalf in connection with the Credit Documents; and

(v) Good Standing Certificates. Certificates of good standing or the equivalent (if any) from its jurisdiction of organization or formation, in each case certified as of a recent date by the appropriate Governmental Authority.

(e) Officer Certificates. The following shall be true as of the Closing Date, and the Administrative Agent shall have received a certificate or certificates of a Responsible Officer of the Parent Borrower, dated as of the Closing Date, certifying each of the following:

(i) Consents. No consents, licenses or approvals are required in connection with the execution, delivery and performance by any Credit Party of the Credit Documents to which it is a party, other than as are in full force and effect and, to the extent requested by the Administrative Agent, are attached thereto;

(ii) Material Adverse Effect. There shall have been no event or circumstance since December 31, 2009 that has had or would reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect;

(iii) Material Litigation. There shall be no action, suit, investigation or proceeding pending in any court or before any arbitrator or Governmental Authority that would reasonably be expected to have a Material Adverse Effect; and

(iv) Representations and Warranties; No Default. The conditions set forth in Sections 5.02(a) and (b) have been satisfied as of the Closing Date.

(f) Financial Statements. The Lenders shall have received copies of the financial statements referred to in Section 6.05.

(g) Forecasts. The Lead Arrangers shall have received forecasts of the income statement and a free cash flow reconciliation of the Parent Borrower and its Subsidiaries on an annual basis, through the Term B Loan Termination Date.

(h) Merger with Ticketmaster. Ticketmaster shall have merged with and into the Parent Borrower on terms reasonably satisfactory to the Lead Arrangers.

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(i) Solvency. The Administrative Agent shall have received a customary certificate, dated as of the Closing Date, certified by the chief financial officer of the Parent Borrower, stating that the Parent Borrower and its Subsidiaries, on a consolidated basis after giving effect to the Transactions, are Solvent.

(j) Fees and Expenses. To the extent required by the Credit Documents, all accrued reasonable out-of-pocket fees and expenses of the Lead Arrangers and the Agents (including the reasonable fees and expenses of counsel (including any local counsel) for the Agents) shall have been paid.

(k) New Senior Notes. The Parent Borrower shall have consummated the issuance of the New Senior Notes on terms reasonably satisfactory to the Lead Arrangers.

(l) Indebtedness. After giving effect to the Closing Date, the Parent Borrower and its Subsidiaries shall have no Indebtedness other than with respect to the Term Loans, the Existing Letters of Credit, the Existing Convertible Notes, the Senior Notes, the Azoff Promissory Note, Indebtedness permitted pursuant to Section 8.03(b) and other Indebtedness as may be reasonably acceptable to the Lead Arrangers.

(m) KYC Information. The Credit Parties shall have provided the documentation and other information to the Lenders that is required by regulatory authorities under applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act.

(n) Existing Preferred Stock. The Holdco #2 Merger shall have occurred, and the Existing Preferred Stock shall have been converted into the right to receive cash pursuant to the Holdco #2 Merger.

Without limiting the generality of the provisions of Section 10.04, for purposes of determining compliance with the conditions specified in this Section 5.01, each Lender that has signed this Credit Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

#### **5.02 Conditions to All Credit Extensions.**

The obligation of each Lender and L/C Issuer to honor any Request for Credit Extension is subject to the satisfaction of the following conditions precedent:

(a) The representations and warranties of the Parent Borrower and each other Credit Party contained in Article VI shall be true and correct in all material respects on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date (provided that representations and warranties that are qualified by materiality shall be true and correct in all respects).

(b) No Default or Event of Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent and, if applicable, the applicable L/C Issuer or the Swingline Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension submitted by any Borrower shall be deemed to be a representation and warranty by such Borrower that the conditions specified in Sections 5.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.



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### **5.03 First Credit Extension to each Foreign Borrower.**

The obligation of each Lender to honor any initial request for a Loan or B/A by each Foreign Borrower or of any L/C Issuer to honor any initial request for a Letter of Credit by each Foreign Borrower is subject to the satisfaction of the following further conditions precedent:

(a) The Administrative Agent shall have received an opinion of counsel for such Foreign Borrower reasonably acceptable to the Administrative Agent and covering such matters relating to the transactions contemplated hereby as the Administrative Agent may reasonably request;

(b) The Administrative Agent shall have received all documents which it may reasonably request relating to the existence of such Foreign Borrower, its corporate authority for and the validity of its entry into its Foreign Borrower Agreement, this Credit Agreement, any other Credit Document and any amendments to the Credit Documents contemplated by Section 1.08, and any other matters relevant thereto, all in form and substance reasonably satisfactory to the Administrative Agent;

(c) Each of the Foreign Subsidiaries (other than an Excluded Subsidiary) shall have (i) jointly and severally guaranteed to the Administrative Agent and each of the holders of the Foreign Obligations the prompt payment of the Foreign Obligations (the "Foreign Guaranteed Obligations") in full when due (whether at stated maturity, as a mandatory pre-payment, by acceleration, as a mandatory cash collateralization or otherwise) pursuant to one or more guarantees in form in substance reasonably satisfactory to the Administrative Agent (each, a "Foreign Guarantee Agreement") and (ii) taken all actions necessary to create and perfect a security interest in its assets other than any Excluded Property pursuant to Foreign Collateral Documents in form and substance reasonably satisfactory to the Collateral Agent; provided that this clause (c) shall not require the creation or perfection of pledges of or security interests in particular assets of the Foreign Subsidiaries or guarantees from particular Foreign Subsidiaries if, to the extent and for so long as, the Administrative Agent, in consultation with the Parent Borrower, reasonably determines that the cost to the Borrowers of creating or perfecting such pledges or security interests in such assets or obtaining such guarantees from Foreign Subsidiaries (in each case, taking into account, among other things (i) any adverse tax or other consequences to the Borrowers and the other Subsidiaries (including the imposition of withholding or other material taxes or costs on Lenders) and (ii) with respect to security interests in Equity Interests in Persons that are not, directly or indirectly, wholly owned by the Parent Borrower, any restrictions on the creation or perfection of such security interests (including the costs of obtaining necessary consents and approvals from other holders of Equity Interests in such Persons)) shall be commercially unreasonable in view of the benefits to be obtained by the Lenders therefrom (as reasonably determined by the Parent Borrower and the Administrative Agent).

## **ARTICLE VI**

### **REPRESENTATIONS AND WARRANTIES**

The Credit Parties represent and warrant to the Administrative Agent and the Lenders that:

#### **6.01 Existence, Qualification and Power.**

Each Credit Party (a) is duly organized or formed, validly existing and (to the extent the concept is applicable in such jurisdiction) in good standing under the Laws of the jurisdiction of its incorporation or formation, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) execute, deliver and perform its obligations under the Credit Documents to which it is a party and (ii) except to the extent it would not reasonably be expected to have a Material Adverse Effect, own its assets and carry on its business, and (c) except to the extent it would not reasonably be expected to have a Material Adverse Effect, is duly qualified and is licensed and in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license.

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#### **6.02 Authorization; No Contravention.**

The execution, delivery and performance by each Credit Party of each Credit Document to which it is party have been duly authorized by all necessary corporate or other organizational action and do not (a) contravene the terms of such Credit Party's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien (other than Permitted Liens) under, (i) any Contractual Obligation to which such Credit Party is party or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Credit Party or its Property is subject; or (c) violate any Law applicable to such Credit Party and the relevant Credit Documents, except, in the case of clause (b) or (c) of this Section 6.02 only, as would not reasonably be expected to have a Material Adverse Effect.

#### **6.03 Governmental Authorization; Other Consents.**

No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Credit Party of this Credit Agreement or any other Credit Document (other than (a) as have already been obtained and are in full force and effect, (b) filings to perfect security interests granted pursuant to the Credit Documents and (c) approvals, consents, exemptions, authorizations, or other actions, notices or filings the failure to procure which would not reasonably be expected to have a Material Adverse Effect).

#### **6.04 Binding Effect.**

Each Credit Document has been duly executed and delivered by each Credit Party that is party hereto or thereto. Each Credit Document constitutes legal, valid and binding obligations of such Credit Party, enforceable against such Credit Party in accordance with its terms, except to the extent the enforceability thereof may be limited by applicable Debtor Relief Laws affecting creditors' rights generally and by equitable principles of law (regardless of whether enforcement is sought in equity or at law) and implied covenants of good faith and fair dealing.

#### **6.05 Financial Statements.**

The audited combined balance sheets of the Parent Borrower and its Subsidiaries as of December 31, 2009 and the related combined statements of income or operations, shareholders' equity (or invested equity) and cash flows for the years ending December 31, 2009, December 31, 2008 and December 31, 2007, including the notes thereto, (i) were prepared in accordance with GAAP consistently applied throughout the periods covered thereby, except as otherwise expressly noted therein and (ii) fairly present the financial condition of the Parent Borrower and its Subsidiaries as of the date thereof and its results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein.

The unaudited pro forma condensed combined balance sheet of the Parent Borrower and its Subsidiaries as at December 31, 2009 and the related unaudited pro forma condensed combined statements of operations of the Parent Borrower and its Subsidiaries for the year ended December 31, 2009, certified by the chief financial officer or treasurer of the Parent Borrower, copies of which have been furnished to each Lender, fairly present the combined pro forma financial condition of the Parent Borrower and its Subsidiaries as at such date and the combined pro forma results of operations of the Parent Borrower and its Subsidiaries for the periods ended on such dates, in each case giving effect to the Transactions, all in accordance with Regulation S-X under the Securities Laws, as amended and the Parent Borrower believes that the assumptions underlying such unaudited pro forma combined financial statements are reasonable.

#### **6.06 No Material Adverse Effect.**

Since December 31, 2009, there has been no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect.

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**6.07 Litigation.**

There are no actions, suits or proceedings pending or, to the knowledge of the Parent Borrower, threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against any member of the Consolidated Group or against any of their properties or revenues that either individually or in the aggregate would reasonably be expected to have a Material Adverse Effect.

**6.08 No Default.**

No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Credit Agreement or any other Credit Document.

**6.09 Ownership of Property; Liens.**

Each of the Parent Borrower and its Subsidiaries has good and valid title in fee simple to, or a valid leasehold interest in, all its real property, and good title to, or a valid leasehold interest in or right to use, all its other material property, except as would not reasonably be expected to have a Material Adverse Effect, and the property of the Consolidated Group is subject to no Liens, other than Permitted Liens.

**6.10 Environmental Matters.**

Except with respect to any matters that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, none of the Parent Borrower or 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.

**6.11 Taxes.**

Except as would not reasonably be expected, individually or in the aggregate to have a Material Adverse Effect: (a) the Parent Borrower and each of its Subsidiaries (i) has timely filed (or has had filed on its behalf) all Tax returns required to be filed and (ii) has paid prior to delinquency all Taxes, whether or not shown on a Tax Return, levied or imposed upon it or its properties, income or assets otherwise due and payable (including in its capacity as a withholding agent), except for Taxes that are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided, in accordance with GAAP, if such contest suspends enforcement or collection of the claim in question; (b) there are no current, pending or, to the knowledge of the Parent Borrower or any of its Subsidiaries, proposed tax assessments, deficiencies, audits or other claims against or with respect to the Parent Borrower or any of its Subsidiaries; and (c) neither the Parent Borrower nor any of its Subsidiaries has "participated" in a "listed transaction" within the meaning of Treasury Regulation Section 1.6011-4.

**6.12 ERISA Compliance.**

(a) Each Pension Plan that is intended to qualify under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the IRS or an application for such a letter is currently pending before the IRS with respect thereto and, to the knowledge of the Parent Borrower, nothing has occurred that would prevent, or cause the loss of, such qualification except in such instances in which the failure to comply therewith either individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect. Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, (i) the Parent Borrower and each ERISA Affiliate have made all required contributions to each Pension Plan subject to Section 412 of the Internal Revenue Code and (ii) no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Internal Revenue Code has been made with respect to any Pension Plan.

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(b) There are no pending or, to the knowledge of the Parent Borrower, threatened, claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that would reasonably be expected to have a Material Adverse Effect.

(c) Except as would not reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect, (i) no ERISA Event has occurred or is reasonably expected to occur; (ii) neither the Parent Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred that, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Sections 4201 or 4243 of ERISA with respect to a Multiemployer Plan; (iii) there has been no “prohibited transaction” (within the meaning of Section 4975 of the Internal Revenue Code) with respect to any Plan; and (iv) neither the Parent Borrower nor any ERISA Affiliate has engaged in a transaction that would reasonably be expected to be subject to Sections 4069 or 4212(c) of ERISA.

### **6.13 Labor Matters.**

As of the Closing Date, there are no strikes, lockouts or slowdowns against the Parent Borrower or any of its Subsidiaries pending or, to the knowledge of Parent Borrower or any other Credit Party, overtly threatened in writing to Borrower or any of its Subsidiaries. To the best knowledge of the Parent Borrower or any other Credit Party, after making reasonable due inquiry, the hours worked by and payments made to employees of the Parent 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 dealing with such matters. All payments due from the Parent Borrower or any of its Subsidiaries, or for which any claim made against the Parent Borrower or any of its Subsidiaries, which the Parent Borrower or any other Credit Party reasonably and in good faith believes the Parent Borrower or any of its Subsidiaries is liable, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of the Parent Borrower or such Subsidiary. The consummation of the Transactions will not give rise to any right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which the Parent Borrower or any of its Subsidiaries is bound.

### **6.14 Subsidiaries.**

Set forth on Schedule 6.14 is a list of all Subsidiaries of the Parent Borrower immediately after giving effect to the Closing Date, together with the jurisdiction of organization, and ownership and ownership percentages of Capital Stock of each such Subsidiary as of such date. Schedule 6.14 identifies whether such Subsidiary shall be party to a Collateral Document or is an Excluded Subsidiary. The outstanding Capital Stock has been validly issued, is owned free of Liens (other than Permitted Liens) and, with respect to any outstanding shares of Capital Stock of a corporation, such shares have been validly issued and are fully paid and non-assessable. The outstanding shares of Capital Stock are not subject to any buy-sell, voting trust or other shareholder agreement except as identified on Schedule 6.14.

### **6.15 Margin Regulations; Investment Company Act.**

(a) The Credit Parties are not engaged and will not engage, principally or as one of their important activities, in the business of purchasing or carrying “margin stock” (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock.

(b) None of the Credit Parties or any Subsidiary is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

### **6.16 Disclosure.**

No written report, financial statement, certificate or other information (taken as a whole) furnished by or on behalf of any Credit Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Credit Agreement or delivered hereunder or under any other Credit Document (in each case, as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances

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under which they were made, not misleading, in each case as of the date such information is provided and as of the Closing Date; provided that, with respect to projected financial information and estimates, the Parent Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time they were made.

**6.17 Compliance with Laws.**

Each member of the Consolidated Group is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions, settlements or other agreements with any Governmental Authority and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

**6.18 Insurance.**

The Parent Borrower and each of its Subsidiaries maintain, in force, with financially sound and reputable insurance companies, and have paid all premiums and costs that are due and payable and are related to, insurance coverages in such amounts (with no materially greater risk retention) and against such risks under similar circumstances as are reasonably determined by the management of the Parent Borrower and its Subsidiaries to be sufficient in accordance with the usual and customary practices of companies of established repute engaged in the same or similar lines of business as the Parent Borrower and its Subsidiaries and operating in the same or similar locations, except to the extent reasonable self insurance meeting the same standards is maintained with respect to such risks.

**6.19 Solvency.**

As of the Closing Date, the Parent Borrower and its Subsidiaries, on a consolidated basis, are, and after giving effect to the Transactions will be, Solvent.

**6.20 Intellectual Property; Licenses, Etc.**

Except as would not reasonably be expected to have a Material Adverse Effect, as of the Closing Date, each Credit Party owns, or possesses the right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights (collectively, "IP Rights") that are reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person. As of the Closing Date, no claim or litigation regarding any of the foregoing is pending or, to the knowledge of the Credit Parties, threatened, that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

**6.21 Collateral Matters.**

(a) Each of the Collateral Documents creates (or will create, as the case may be), as security for the obligations purported to be secured thereby, subject to the provisions hereof and thereof, a legal, valid and enforceable security interest in all the Collateral subject to such Collateral Document (or comparable interest under foreign law in the case of foreign Collateral) and each such Collateral Document shall constitute either (x) a fully perfected Lien on, and security interest in, all of the Collateral subject to such Collateral Document (except for Collateral for which the absence or failure of the Lien on such Collateral would not constitute an Event of Default under Section 9.01(l)) or (b) a floating charge, fixed charge or security interest, as specified in the applicable Collateral Document, with respect to all of the Collateral subject to such Collateral Document, in each case in favor of the relevant Collateral Agent and subject to no other Liens except Permitted Liens. The pledgor or assignor, as the case may be, under each Collateral Document has good title to all Collateral subject thereto free and clear of all Liens other than Permitted Liens. No filings or recordings are required in order to perfect the security interests created under the Collateral Documents except, with respect to the Domestic Credit Parties, for filings or recordings listed on Schedule 6.21 (as amended by each Perfection Certificate delivered to the Administrative Agent after the Closing Date), all of which

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shall have been made on or prior to the Closing Date except as otherwise expressly provided in Schedule 6.21 (or such Perfection Certificates, as applicable).

(b) When the U.S. Security Agreement (or a short-form version thereof) is filed in the United States Patent and Trademark Office and the United States Copyright Office, the security interest created thereunder shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Domestic Credit Parties in the Intellectual Property (as such term is defined in the U.S. Security Agreement) in which a security interest may be perfected by filing, recording or registering a security agreement, financing statement or analogous document in the United States Patent and Trademark Office or the United States Copyright Office, as applicable, in each case prior and superior in right to any other Person, other than with respect to the rights of Persons pursuant to Permitted Liens (it being understood that subsequent recordings in the United States Patent and Trademark Office and the United States Copyright Office may be necessary to perfect a lien on registered trademarks, trademark applications and copyrights acquired by the Domestic Credit Parties after the date hereof).

(c) The requirements set forth in Sections 5.01(b), 7.12, 7.13 and 7.14 are satisfied.

(d) Notwithstanding the foregoing, it is agreed that the Credit Parties shall not be required to enter into control agreements with respect to their deposit accounts and securities accounts in order to perfect the Administrative Agent's Lien on the Collateral.

#### **6.22 Status of Obligations.**

The Obligations constitute Senior Indebtedness (and any other similar term defining Senior Indebtedness) under each indenture or other agreement governing any Subordinated Debt, if any, of the Parent Borrower or any other Credit Party.

#### **6.23 Immunities, Etc.**

Each Credit Party is subject to civil and commercial law with respect to its obligations under this Credit Agreement, and the execution, delivery and performance by it of this Credit Agreement and each other Credit Document to which it is a party constitutes and will constitute private and commercial acts rather than public or governmental acts. Each Credit Party has validly given its consent to be sued in respect of its obligations under this Credit Agreement and the other Credit Documents to which it is a party. Each Credit Party has waived every immunity (sovereign or otherwise) to which it or any of its properties would otherwise be entitled from any legal action, suit or proceeding, from jurisdiction of any court or from setoff or any legal process (whether service or notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) under the laws of the jurisdiction of its incorporation in respect of its obligations under this Credit Agreement and the other Credit Documents to which it is a party. The waiver by each Credit Party described in the immediately preceding sentence is legal, valid and binding on such Credit Party.

## **ARTICLE VII**

### **AFFIRMATIVE COVENANTS**

Until the Loan Obligations shall have been paid in full or otherwise satisfied, and the Commitments hereunder shall have expired or been terminated, the Parent Borrower will, and will cause each of its Subsidiaries to:

#### **7.01 Financial Statements.**

Deliver to the Administrative Agent and each Lender:

(a) not later than ninety (90) days after the end of each fiscal year of the Parent Borrower, a consolidated balance sheet of the Parent Borrower as at the end of such fiscal year, and the related consolidated statements of income or operations, invested equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared

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in accordance with GAAP, audited and accompanied by (1) a report and opinion of a Registered Public Accounting Firm of nationally recognized standing, which report and opinion shall be prepared in accordance with generally accepted auditing standards and applicable Securities Laws and shall not be subject to any “going concern” or like qualification or exception or any qualification or exception as to the scope of such audit or other material qualification or exception and (2) if required by Section 404 of Sarbanes-Oxley, an attestation report of such Registered Public Accounting Firm as to the Parent Borrower’s internal controls pursuant to Section 404 of Sarbanes-Oxley;

(b) not later than forty-five (45) days after the end of each of the first three (3) fiscal quarters of each fiscal year of the Parent Borrower, a consolidated balance sheet of the Parent Borrower and the Consolidated Group as at the end of such fiscal quarter, and the related consolidated statements of income or operations, invested equity and cash flows for such fiscal quarter and for the portion of the Parent Borrower’s fiscal year then ended, setting forth in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of the Parent Borrower as fairly presenting the financial condition, results of operations, invested equity and cash flows of the Consolidated Group in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes; and

(c) simultaneously with the delivery of each set of consolidated financial statements referred to in Sections 7.01(a) and (b) above, if during any of the periods for which financial statements are required to be delivered hereunder the Parent Borrower shall have one or more material Unrestricted Subsidiaries, then such financial statements shall be accompanied by information in reasonable detail summarizing the material differences between the financial statements delivered hereunder and the results of operations and financial condition of the Parent Borrower and its Subsidiaries without giving effect to the results or condition of any such Unrestricted Subsidiaries.

As to any information contained in materials furnished pursuant to Section 7.02, the Parent Borrower shall not be separately required to furnish such information under subsection (a) or (b) above, but the foregoing shall not be in derogation of the obligation of the Parent Borrower to furnish the information and materials described in subsections (a) and (b) above at the times specified therein.

#### **7.02 Certificates; Other Information.**

Deliver to the Administrative Agent and each Lender:

(a) within five (5) Business Days following the delivery of the financial statements referred to in Section 7.01(a), a certificate of its independent certified public accountants certifying such financial statements and stating that in making the examination necessary therefor no knowledge was obtained of any Default or Event of Default with respect to financial covenants or, if any such Default or Event of Default shall exist, stating the nature and status of such event (which may be limited to the extent consistent with industry practice or the policy of the accounting firm);

(b) within five (5) Business Days following each delivery of the financial statements referred to in Sections 7.01(a) and (b), a duly completed Compliance Certificate signed by a Responsible Officer of the Parent Borrower (i) setting forth computations in reasonable detail satisfactory to the Administrative Agent demonstrating compliance with the financial covenants contained herein, (ii) certifying that no Default or Event of Default exists as of the date thereof (or the nature and extent thereof and proposed actions with respect thereto), (iii) setting forth a list of each Subject Disposition and Involuntary Disposition effected during the fiscal quarter or fiscal year, as the case may be, covered by such financial statements, to the extent the Net Cash Proceeds received in such Subject Disposition (or series of related Subject Dispositions) or Involuntary Disposition (or series of related Involuntary Dispositions) exceed \$5.0 million or the Net Cash Proceeds received in all Subject Dispositions or Involuntary Dispositions effected during such fiscal year exceeds \$10.0 million (or the elapsed portion of such fiscal year in the case of a Compliance Certificate relating to a fiscal quarter), and whether the Parent Borrower and its Subsidiaries intend to reinvest

the Net Cash Proceeds thereof or to use such Net Cash Proceeds to prepay the Loans, (iv) a calculation of the Cumulative Credit (in reasonable detail) as of the last day of the period covered by such financial statements and (v) setting forth a list of the Unrestricted Subsidiaries and the Subsidiaries (other than Immaterial Subsidiaries) (A) formed or acquired, (B) divested, liquidated, merged or otherwise disposed of, (C) that ceased to meet the definition of “Immaterial Subsidiaries” or (D) designated as Unrestricted Subsidiaries or Material Subsidiaries, or redesignated as Subsidiaries pursuant to a Subsidiary Redesignation, in each case during the period covered by such financial statements;

(c) promptly upon receipt thereof, all notices of default under any Indebtedness having an aggregate principal amount of at least \$35.0 million;

(d) promptly, such additional information regarding the business, financial or corporate affairs of any Credit Party or any Subsidiary of a Credit Party, or compliance with the terms of the Credit Documents, as the Administrative Agent or any Lender (acting through the Administrative Agent) may from time to time reasonably request;

(e) promptly after the furnishing thereof, copies of any material financial statement or report furnished to any holder of material Indebtedness of any Credit Party or of any of its Subsidiaries pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Lenders pursuant to Section 7.01 or any other clause of this Section 7.02;

(f) as soon as available, but in any event no more than ninety (90) days following the beginning of each fiscal year of the Parent Borrower, a detailed consolidated budget for the subsequent fiscal year (including a projected consolidated balance sheet and related statements of projected operations and cash flow as of the end of and for each fiscal quarter of such fiscal year and setting forth the assumptions used for purposes of preparing such budget) and, promptly when available, any significant revisions of such budget; and

(g) within 15 Business Days after the date of any Major Disposition, the Parent Borrower shall notify the Administrative Agent thereof and whether and to what extent the Net Cash Proceeds received therefrom is intended to be used to reinvest or make prepayments pursuant to Section 2.06(b)(ii).

Documents required to be delivered pursuant to Section 7.01 or 7.02 may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Parent Borrower posts such documents, or provides a link thereto on the Parent Borrower’s website on the internet at the website address listed on Schedule 11.02; or (ii) on which such documents are posted on the Parent Borrower’s behalf on an internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent) including, to the extent the Lenders and the Administrative Agent have access thereto and such documents are available thereon, the EDGAR database and sec.gov; provided that the Parent Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents. Except for such Compliance Certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Parent Borrower with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Credit Parties hereby acknowledge that the Administrative Agent and/or the Lead Arrangers will make available to the Lenders and the L/C Issuers materials and/or information provided by or on behalf of the Credit Parties hereunder (collectively, the “Credit Party Materials”) by posting the Credit Party Materials on IntraLinks or another similar electronic system (the “Platform”) and that certain of the Lenders may be “public-side” Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Credit Parties or their securities) (each, a “Public Lender”). The Credit Parties hereby agree that so long as any Credit Party is the issuer of any outstanding debt or equity securities that are registered or issued pursuant to a private offering or is actively contemplating issuing any such securities (1) all Credit Party Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked “PUBLIC” (which, at a minimum, shall mean that the word “PUBLIC” shall appear prominently on the first page thereof), or otherwise indicated to the Administrative Agent as being “PUBLIC”;



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(2) by marking or otherwise indicating the Credit Party Materials “PUBLIC,” the Credit Parties shall be deemed to have authorized the Agents, the Lead Arrangers, the L/C Issuers and the Lenders to treat such Credit Party Materials as not containing any material non-public information with respect to the Credit Parties or their securities for purposes of United States federal and state securities laws (provided, however, that to the extent such Credit Party Materials constitute Information, they shall be treated as set forth in Section 11.07); (3) all Credit Party Materials marked “PUBLIC” are permitted to be made available through a portion of the Platform designated as “Public Investor”; and (4) the Administrative Agent and the Lead Arrangers shall be entitled to treat any Credit Party Materials that are not marked or otherwise indicated “PUBLIC” as being suitable only for posting on a portion of the Platform not marked as “Public Investor.”

### **7.03 Notification.**

Promptly, and in any event within two Business Days after any Responsible Officer of the Parent Borrower or any of its material Subsidiaries obtains knowledge thereof, notify the Administrative Agent and each Lender of:

- (a) the occurrence of any Default or Event of Default;
- (b) the filing or commencement of any litigation, investigation or proceeding affecting any Credit Party which would reasonably be expected to have a Material Adverse Effect;
- (c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, would reasonably be expected to result in liability of the Parent Borrower and its Subsidiaries in an aggregate amount exceeding \$25.0 million; and
- (d) any other occurrences or events that result in, or would reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section 7.03 shall be accompanied by a statement of a Responsible Officer of the Parent Borrower setting forth the details of the occurrence or event requiring such notice and any action taken or proposed to be taken with respect thereto.

### **7.04 Preservation of Existence.**

Except as otherwise permitted hereunder, do all things necessary to preserve and keep in full force and effect (x) its existence and (y) its rights, franchises and authority, except (i) to the extent, in the case of clauses (x) (with respect to any Subsidiary only and not the Parent Borrower) and (y), that the failure to do so would not have a Material Adverse Effect, (ii) with respect to any Subsidiary or the Parent Borrower, to the extent otherwise permitted by Section 8.04 hereof, and (iii) for the liquidation or dissolution of Subsidiaries if the assets of such Subsidiaries, to the extent such assets exceed estimated liabilities, are acquired by the Parent Borrower or a Wholly Owned Subsidiary of the Parent Borrower in such liquidation or dissolution; provided that Subsidiaries that are Guarantors may not be liquidated into Subsidiaries that are not Guarantors.

### **7.05 Payment of Taxes and Other Obligations.**

(a) Pay and discharge (i) all Taxes imposed upon it, or upon its income or profits, or upon any of its properties, before they become delinquent (it being understood that, with respect to any Unrestricted Subsidiary, such Subsidiary shall comply with this clause (i) to the extent that any such obligation to pay and discharge such Taxes may become an obligation of the Parent Borrower or any of its Subsidiaries (other than an Unrestricted Subsidiary)), (ii) all lawful claims (including claims for labor, material and supplies) that, if unpaid, might give rise to a Lien upon any of its properties, and (iii) except as prohibited hereunder, all of its other Indebtedness as it becomes due, except in each case to the extent that the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect; provided that no such Person shall be required to pay any amount that is being contested in good faith by appropriate proceedings and for which adequate reserves, determined in accordance with GAAP, have been established, if such contest suspends enforcement or collection of the claim in question.

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(b) Timely and correctly file all Tax returns required to be filed by it, except for failures to file that would not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

**7.06 Compliance with Law.**

Comply with the requirements of all applicable laws, rules, regulations and orders of any Governmental Authority, a breach of which would result in a Material Adverse Effect, except where contested in good faith by appropriate proceedings diligently pursued.

**7.07 Maintenance of Property.**

Maintain and preserve its material properties and equipment in good repair, working order and condition, normal wear and tear and casualty and condemnation excepted, and make all repairs, renewals, replacements, extensions, additions, betterments and improvements thereto as may be necessary or proper, to the extent and in the manner customary for similar businesses.

**7.08 Insurance.**

Maintain at all times in force and effect insurance in such amounts, covering such risks and liabilities and with such deductibles or self-insurance retentions as determined by the Parent Borrower in its reasonable business judgment. The Collateral Agent shall be named as loss payee and/or additional insured, as its interests may appear, with respect to any such insurance providing coverage in respect of any collateral under the Collateral Documents, and the Parent Borrower shall request that each provider of any such insurance to agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to the Collateral Agent, that it will give the Collateral Agent thirty (30) days' prior written notice before any such policy or policies shall be altered in any material respect or canceled, and that no act or default of any member of the Consolidated Group or any other Person shall affect the rights of the Collateral Agent or the Lenders under such policy or policies. The insurance coverage for the Consolidated Group as of the Closing Date is described as to type and amount on Schedule 7.08.

**7.09 Books and Records.**

Maintain (a) proper books of record and account, in which true and correct entries in conformity with GAAP shall be made of all financial transactions and matters involving the assets and business of the Parent Borrower or such Subsidiary, as the case may be, and (b) such books of record and account are in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over the Parent Borrower or such Subsidiary.

**7.10 Inspection Rights.**

Permit representatives and independent contractors of the Administrative Agent or any Lender (in the case of such Lender, coordinated through the Administrative Agent) to (i) to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Parent Borrower and (ii) visit and inspect any of its properties and examine its corporate, financial and operating records, once per fiscal year of the Parent Borrower at such reasonable times during normal business hours, upon reasonable advance notice to the Parent Borrower; provided, however, that when an Event of Default exists the Administrative Agent or any of its representatives or independent contractors or any Lender (in the case of such Lender, coordinated through the Administrative Agent) may do any of the foregoing at the expense of the Parent Borrower at any time during normal business hours. Notwithstanding any provision to the contrary, all meetings and inspections requested and held pursuant to this Section 7.10 are subject to applicable attorney-client privilege exceptions and compliance with non-disclosure and confidentiality agreements between the Parent Borrower, any of its Subsidiaries and third parties.

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### **7.11 Use of Proceeds.**

Use the proceeds of the Term A Loans and Term B Loans, together with the net proceeds of the New Senior Notes, to (a) repay in full and terminate the Existing Credit Facilities, (b) provide for the conversion of the Existing Preferred Stock into the right to receive cash, (c) pay fees for the consent solicitation of the Existing Senior Notes effected on or about the Closing Date and (d) pay costs and expenses related to the Transactions (including entry into this Credit Agreement) and use the proceeds of the Revolving Loans for working capital and general corporate purposes, in each case not in contravention of any Law or of any Credit Document.

### **7.12 Joinder of Subsidiaries as Guarantors.**

Promptly notify the Administrative Agent of the formation, acquisition (or other receipt of interests) or existence of any Subsidiary that is not a Guarantor (other than a non-Wholly Owned Subsidiary invested in pursuant to Section 8.02(k) (unless such Subsidiary shall guarantee or provide Support Obligations in respect of any material Indebtedness (other than the Obligations) of the Parent Borrower or another Subsidiary) or an Excluded Subsidiary), which notice shall include information as to the jurisdiction of organization, the number and class of Capital Stock outstanding and ownership thereof (including options, warrants, rights of conversion or purchase relating thereto), and with respect to any such Subsidiary, within thirty (30) days (or up to ten (10) days later if the Administrative Agent, in its sole discretion, shall agree thereto in writing) of the formation, acquisition or other receipt of interests thereof, cause the joinder of such Subsidiary as (x) in the case of a Domestic Subsidiary, as a Guarantor of the Domestic Obligations and any Foreign Obligations or (y) in the case of a Foreign Subsidiary, as a Guarantor of the Foreign Obligations, in each case pursuant to Joinder Agreements (or such other documentation in form and substance reasonably acceptable to the Administrative Agent) accompanied by Organization Documents, take all actions necessary to create and perfect a security interest in its assets to the extent required by the applicable Collateral Documents and, if reasonably requested by the Administrative Agent, deliver favorable opinions of counsel to such Subsidiary, in form and substance reasonably satisfactory to the Administrative Agent; provided that no Foreign Subsidiary shall be required to comply with any of the foregoing unless a Foreign Borrower has then been added and not terminated. For the avoidance of doubt, if (a) an Excluded Subsidiary shall cease to be an Excluded Subsidiary or (b) an Unrestricted Subsidiary shall be redesignated as a Subsidiary pursuant to a Subsidiary Redesignation or (c) a Foreign Borrower shall have been added and a Foreign Subsidiary would have otherwise been required to become a Guarantor pursuant to the previous sentence, such Subsidiary shall thereupon comply with the foregoing; provided that, solely in the case of clause (y) above, this Section 7.12 shall not require the creation or perfection of pledges of or security interests in particular assets of the Foreign Subsidiaries or guarantees from particular Foreign Subsidiaries if, to the extent and for so long as, the Administrative Agent, in consultation with the Parent Borrower, reasonably determines that the cost to the Borrowers of creating or perfecting such pledges or security interests in such assets or obtaining such guarantees from Foreign Subsidiaries (in each case, taking into account, among other things, (i) any adverse tax or other consequences to the Borrowers and the other Subsidiaries (including the imposition of withholding or other material taxes or costs on Lenders) and (ii) with respect to security interests in Equity Interests in Persons that are not, directly or indirectly, wholly owned by the Parent Borrower, any restrictions on the creation or perfection of such security interests (including the costs of obtaining necessary consents and approvals from other holders of Equity Interests in such Persons)) shall be commercially unreasonable in view of the benefits to be obtained by the Lenders therefrom (as reasonably determined by the Parent Borrower and the Administrative Agent).

### **7.13 Pledge of Capital Stock.**

Pledge or cause to be pledged to the Collateral Agent to secure the Obligations, other than in the case of Excluded Property, one hundred percent (100%) of the issued and outstanding Capital Stock of each Subsidiary to the extent owned by a Credit Party within thirty (30) days (or up to ten (10) days later if the Administrative Agent, in its sole discretion, shall agree thereto in writing) of its formation, acquisition or other receipt of such interests; provided that, solely with respect to the Domestic Obligations, the pledge of the Capital Stock of Foreign Subsidiaries shall be limited to Capital Stock representing sixty-five percent (65%) (or if less, the full amount owned by such Subsidiary) of each class of the issued and outstanding Capital Stock of each First-Tier Foreign Subsidiary to the extent owned by a Credit Party within thirty (30) days (or up to twenty (20) days later if the Administrative Agent, in its sole discretion, shall agree thereto in writing) of its formation, acquisition or other receipt of such interests, in each case pursuant to the applicable Collateral Documents or pledge joinder agreements, together with, if reasonably

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requested by the Administrative Agent, opinions of counsel and any filings and deliveries reasonably requested by the Collateral Agent in connection therewith to perfect the security interests therein, all in form and substance reasonably satisfactory to the Administrative Agent.

**7.14 Pledge of Other Property.**

With respect to each Credit Party, pledge and grant a security interest in all of its personal property, tangible and intangible, owned and leased (except (a) Excluded Property, (b) as otherwise set forth in Section 7.13 with respect to Capital Stock and (c) as otherwise set forth in the Collateral Documents) to secure (x) in the case of a Domestic Credit Party, the Obligations, and (y) in the case of a Foreign Credit Party, the Foreign Obligations, in each case within thirty (30) days (or up to ten (10) days later, if the Administrative Agent, in its sole discretion, shall agree thereto in writing) of the acquisition or creation thereof pursuant to such pledge and security agreements, joinder agreements or other documents as may be required, together with opinions of counsel and any filings and deliveries reasonably requested by the Collateral Agent in connection therewith to perfect the security interests therein, all in form and substance reasonably satisfactory to the Administrative Agent.

**7.15 Further Assurances Regarding Collateral.**

(a) Promptly upon request by the Administrative Agent, or any Lender through the Administrative Agent, (a) correct any material defect or error relating to the granting or perfection of security interests that may be discovered in any Credit Document or in the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, or the Required Lenders through the Administrative Agent, may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Credit Documents, (ii) to the fullest extent permitted by applicable law, subject any Credit Party's or any Credit Party's Subsidiaries' properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the holders of the Obligations the rights granted to the holders of the Obligations under any Credit Document or under any other instrument executed in connection with any Credit Document to which any Credit Party or any Credit Party's Subsidiaries is or is to be a party, and cause each of the Parent Borrower's Subsidiaries to do so.

(b) Notwithstanding anything to the contrary provided herein or in any Credit Document, the Parent Borrower and the Subsidiaries shall not be required to take any action required to perfect or maintain the perfection of any of the Liens of the Agents or Lenders with respect to cash, deposit accounts or securities accounts except to the extent such perfection is achieved by filing of financing statements, although cash, deposit accounts and securities accounts shall nevertheless constitute Collateral.

**7.16 Interest Rate Protection.**

As promptly as practicable, and in any event within 90 days after the Closing Date, the Parent Borrower will enter into, and thereafter for a period of not less than three years will maintain in effect, one or more interest rate protection agreements on such terms and with such parties as shall be reasonably satisfactory to the Administrative Agent, the effect of which shall be to fix or limit the interest cost to the Parent Borrower with respect to at least 50% of the Consolidated Total Funded Debt at the Closing Date.

**7.17 Ownership of Foreign Borrowers.**

Each of the Foreign Borrowers will, at all times, be a direct or indirect wholly owned subsidiary of the Parent Borrower.

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### 7.18 Post-Closing Matters.

Parent Borrower shall complete the tasks set forth on Schedule 7.18, in each case within the time limits specified on such schedule.

## ARTICLE VIII

### NEGATIVE COVENANTS

Until the Loan Obligations shall have been paid in full or otherwise satisfied, and the Commitments hereunder shall have expired or been terminated, the Parent Borrower will not, and will not permit any of its Subsidiaries to:

#### 8.01 Liens.

Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Liens created pursuant to the Credit Documents;

(b) Liens under the Collateral Documents given to secure obligations under Swap Contracts between any Credit Party and any Lender or Affiliate of a Lender or any Person that was a Lender or Affiliate of a Lender at the time it entered into such Swap Contract, provided that such Swap Contracts are otherwise permitted under Section 8.03;

(c) Liens existing on the Closing Date and listed on Schedule 8.01, together with any extensions, replacements, modifications or renewals of the foregoing; provided that the collateral interests are not broadened or increased or secure any Property not secured by such Liens on the Closing Date (but shall be permitted to apply to after-acquired property affixed or incorporated into the property covered by such Lien and the proceeds and products of the foregoing);

(d) Liens for taxes, assessments or governmental charges or levies not yet due or to the extent non-payment thereof is permitted under Section 7.05;

(e) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and suppliers and other Liens imposed by law or pursuant to customary reservations or retentions of title arising in the ordinary course of business, provided that such Liens secure only amounts not yet due and payable or, if due and payable, are unfiled and no other action has been taken to enforce the same, are not overdue by more than 30 days, or are being contested in good faith by appropriate proceedings for which adequate reserves determined in accordance with GAAP have been established (and as to which the property subject to any such Lien is not yet subject to a foreclosure, sale or loss proceeding on account thereof (other than a proceeding where foreclosure, sale or loss has been stayed));

(f) Liens incurred or deposits made by any member of the Consolidated Group in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(g) Liens in connection with attachments or judgments (including judgment or appeal bonds) that do not result in an Event of Default under Section 9.01(i);

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(h) easements, rights-of-way, covenants, conditions, restrictions (including zoning restrictions), declarations, rights of reverter, minor defects or irregularities in title and other similar charges or encumbrances, whether or not of record, that do not, in the aggregate, interfere in any material respect with the ordinary course of business of the Parent Borrower or its Subsidiaries;

(i) Liens on property of any Person securing purchase money Indebtedness or Indebtedness in respect of Sale and Leaseback Transactions permitted under Section 8.14 (including capital leases and Synthetic Leases) of such Person, in each case to the extent incurred under Section 8.03(c) (or any refinancing of such Indebtedness incurred under Section 8.03(l)); provided, that any such Lien attaches only to the Property financed or leased and such Lien attaches prior to, at the time of or within one hundred eighty (180) days after the later of the date of acquisition of such property or the date such Property is placed in service (or, in the case of Liens securing a refinancing of such Indebtedness pursuant to Section 8.03(l), any such Lien attaches only to the Property that was so financed with the proceeds of the Indebtedness so refinanced);

(j) licenses, sublicenses, leases or subleases granted to others not interfering in any material respect with the business of any member of the Consolidated Group;

(k) any interest or title of a lessor or sublessor under, and Liens arising from UCC financing statements (or equivalent filings, registrations or agreements in foreign jurisdictions) relating to, leases and subleases permitted by this Credit Agreement;

(l) 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 and Liens deemed to exist in connection with Investments in repurchase agreements that constitute Investments permitted by Section 8.02 hereof;

(m) normal and customary rights of setoff upon deposits of cash or other Liens originating solely by virtue of any statutory or common law provision relating to bankers liens, rights of setoff or similar rights in favor of banks or other depository institutions not securing Indebtedness;

(n) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;

(o) Liens on Property securing obligations incurred under Section 8.03(h) (or any refinancing of such Indebtedness incurred under Section 8.03(l)); provided that the Liens are not incurred in connection with, or in contemplation or anticipation of, the acquisition and do not attach or extend to any Property other than the Property so acquired (or, in the case of Liens securing a refinancing of such Indebtedness pursuant to Section 8.03(l), the Property acquired with the proceeds of the Indebtedness so refinanced);

(p) other Liens, provided that such Liens do not secure obligations exceeding \$50.0 million in an aggregate amount at any time outstanding;

(q) Liens in respect of any Indebtedness permitted under Section 8.03(g) to the extent such Liens extend only to Property of the Foreign Subsidiary or Foreign Subsidiaries incurring such Indebtedness (other than a Foreign Credit Party);

(r) pledges and deposits and other Liens securing liability for reimbursement or indemnification obligations of (including obligations in respect of bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to the Parent Borrower or any Subsidiary;

(s) Liens solely on any cash earnest money deposits made by the Parent Borrower or any of the Subsidiaries in connection with any letter of intent or purchase agreement in respect of any Investment permitted hereunder;

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(t) Liens securing obligations incurred pursuant to Section 8.03(n);

(u) Liens on Capital Stock in joint ventures securing obligations of such joint venture, to the extent required by the terms of the organizational documents or material contracts of such joint venture;

(v) Liens on goods or inventory the purchase, shipment or storage price of which is financed by a bank guarantee or bankers' acceptance issued or created for the account of the Parent Borrower or any Subsidiary in the ordinary course of business so long as such Liens are extinguished when such goods or inventory are delivered to the Parent Borrower or a Subsidiary; provided, that such Lien secures only the obligations of the Parent Borrower or such Subsidiaries in respect of such bankers' acceptance or bank guarantee to the extent permitted under Section 8.03;

(w) Liens securing insurance premiums financing arrangements, provided, that such Liens are limited to the applicable unearned insurance premiums;

(x) Liens in favor of any Credit Party; provided that if any such Lien shall cover any Collateral, the holder of such Lien shall execute and deliver to the Administrative Agent a subordination agreement in form and substance reasonably satisfactory to the Administrative Agent;

(y) Liens on the Capital Stock of Unrestricted Subsidiaries;

(z) Liens on deposits and accounts of Foreign Subsidiaries to secure Indebtedness incurred pursuant to Section 8.03(v);

(aa) Liens on assets of any member of the Academy Music Group securing AMG Indebtedness; and

(bb) Liens on Permitted Deposits securing customary obligations that are incurred in the ordinary course of business.

## **8.02 Investments.**

Make or permit to exist any Investments, except:

(a) cash and Cash Equivalents of or to be owned by the Parent Borrower or a Subsidiary;

(b) Investments existing on, or contractually committed as of, the Closing Date and set forth on Schedule 8.02(b) and any extensions, renewals or reinvestments thereof, so long as the aggregate amount of any Investment pursuant to this clause (b) is not increased at any time above the amount of such Investment existing on the Closing Date, unless such increase is permitted by any clause of this Section 8.02 (other than by this clause (b)), in which case the capacity of such other clause shall be reduced by such increase;

(c) to the extent not prohibited by applicable Law, advances to officers, directors and employees and consultants of the Parent Borrower and Subsidiaries made for travel, entertainment, compensation, relocation and other ordinary business purposes in an aggregate amount not to exceed \$10.0 million at any time outstanding or, to the extent not used as part of or to increase the Cumulative Credit, in connection with such person's purchase of equity of the Parent Borrower;

(d) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss and any prepayments and other credits to suppliers, clients, developers or purchasers or sellers of goods or services made in the ordinary course of business;

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(e) except to the extent constituting an Acquisition, Investments by the Parent Borrower and its Subsidiaries in Domestic Credit Parties;

(f) Investments by the Parent Borrower and Domestic Subsidiaries in Subsidiaries that are not Domestic Credit Parties (and, in the case of a Permitted Acquisition, in Persons that become Subsidiaries that are not Domestic Credit Parties upon consummation of such Permitted Acquisition) in an aggregate amount at any time not to exceed the greater of \$150.0 million and 3.0% of Consolidated Total Assets at such time;

(g) Investments by Foreign Subsidiaries in any member of the Consolidated Group (including other Foreign Subsidiaries) and, in the case of a Permitted Acquisition, in Persons that become a members of the Consolidated Group (including Foreign Subsidiaries) upon consummation of such Permitted Acquisition;

(h) Support Obligations incurred pursuant to Section 8.03;

(i) Investments comprised of Permitted Acquisitions;

(j) advances in the ordinary course of business to secure developer and artist contracts of the Parent Borrower and its Subsidiaries;

(k) Investments at any time outstanding in an aggregate amount not to exceed the greater of \$250.0 million and 5.0% of Consolidated Total Assets at such time plus, so long as (x) no Default shall have occurred and be continuing or exist after giving effect thereto and (y) after giving effect on a Pro Forma Basis to the Investment to be made, as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10 (and if the Investment is greater than \$50.0 million, then the Parent Borrower shall deliver a certificate of a Responsible Officer of the Parent Borrower as to the satisfaction of the requirements in this clause (y)), the amount of the Cumulative Credit at such time; provided that if any Investment is made pursuant to this Section 8.02(k) in any Person that is not a Domestic Credit Party and such Person thereafter becomes a Domestic Credit Party, such Investment shall thereafter be deemed to have been made pursuant to Section 8.02(e);

(l) Investments representing non-cash consideration received in connection with any Subject Disposition permitted pursuant to Section 8.05;

(m) Investments in joint ventures in an aggregate amount not to exceed \$50.0 million at any time outstanding;

(n) Swap Contracts allowed by Section 8.03(d);

(o) Investments resulting from pledges and deposits under Section 8.01(f), (l), (r), (s) or (bb);

(p) Investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with or judgments against, customers and suppliers, in each case in the ordinary course of business or Investments acquired by the Parent Borrower as a result of a foreclosure by the Parent Borrower or any of the Subsidiaries with respect to any secured Investments or other transfer of title with respect to any secured Investment in default;

(q) loans or advances or other similar transactions with customers, distributors, clients, developers, suppliers or purchasers or sellers of goods or services, in each case, in the ordinary course of business, regardless of frequency;



(r) to the extent not used as part of or increasing the Cumulative Credit, any Investment to the extent procured in exchange for the issuance of Qualified Capital Stock;

(s) Investments to the extent consisting of the redemption, purchase, repurchase or retirement of any common Capital Stock permitted under Section 8.06;

(t) advances in the form of a prepayment of expenses, so long as such expenses are being paid in accordance with customary trade terms of the Parent Borrower or such Subsidiary;

(u) (A) guarantees by the Parent Borrower or any Subsidiary of operating leases or of other obligations that do not constitute Indebtedness, in each case entered into by the Parent Borrower or any Subsidiary in the ordinary course of business and (B) Investments consisting of guarantees permitted by Section 8.03;

(v) Investments consisting of the non-exclusive licensing of intellectual property pursuant to joint marketing arrangements with other Persons otherwise permitted hereunder;

(w) Investments consisting of Permitted Deposits;

(x) Designated Investments set forth on Schedule 8.02(x); and

(y) Investments received in exchange for the making of Restricted Payments under Section 8.06(b).

### **8.03 Indebtedness.**

Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness existing or arising under this Credit Agreement and the other Credit Documents;

(b) Indebtedness existing on the Closing Date set forth on Schedule 8.03;

(c) capital lease obligations and purchase money Indebtedness (including obligations in respect of capital leases) to finance the purchase, acquisition, construction, development, enlargement, repair or improvement of fixed or capital assets, at any time outstanding (when aggregated with the aggregate amount of refinancing Indebtedness outstanding at such time pursuant to Section 8.03(l) in respect of Indebtedness incurred pursuant to this Section 8.03(c)) not to exceed \$100.0 million; provided that such Indebtedness when incurred shall not exceed the purchase price of the asset(s) financed;

(d) obligations under Swap Contracts permitted by Section 8.15;

(e) unsecured intercompany Indebtedness among members of the Consolidated Group to the extent permitted by Section 8.02(e), (f), (g) or (k);

(f) unsecured Indebtedness of the Parent Borrower to the extent (i) no Default or Event of Default has occurred and is continuing or would result from the incurrence thereof at such time; (ii) after giving pro forma effect to the incurrence of such Indebtedness, as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10 (and if the Indebtedness incurred is greater than \$50.0 million, then the Parent Borrower shall deliver a certificate of a Responsible Officer of the Parent Borrower as to the satisfaction of the requirements in this clause (ii)); (iii) such Indebtedness matures no earlier than the Term B Loans and has a Weighted Average Life to Maturity that is no shorter than the Term B Loans; (iv) such Indebtedness

does not have prepayment or redemption events that are less favorable to the Parent Borrower and its Subsidiaries than those relating to the Term B Loans, except, to the extent such Indebtedness consists of Indebtedness convertible into Capital Stock, for change of control and other events that are typical for that type of Indebtedness (other than a scheduled “put” date prior to the maturity of the Term B Loans); and (v) such Indebtedness has other terms that are, taken as a whole, not materially less favorable to the Parent Borrower and its Subsidiaries than the terms of the Credit Agreement; provided that such Indebtedness may benefit from unsecured guarantees from the Domestic Guarantors on the same basis as the Parent Borrower has issued such Indebtedness;

(g) Indebtedness of Foreign Subsidiaries and guarantees thereof by other Foreign Subsidiaries, without duplication, in an aggregate principal amount at any time outstanding not to exceed \$150.0 million;

(h) Indebtedness acquired or assumed pursuant to a Permitted Acquisition in an aggregate principal amount at any time outstanding (when aggregated with the aggregate amount of refinancing Indebtedness outstanding at such time pursuant to Section 8.03(l)) in respect of Indebtedness incurred pursuant to this Section 8.03(h)) not to exceed \$50.0 million; provided that (a) such Indebtedness was not incurred in connection with, or in anticipation or contemplation of, such Permitted Acquisition and (b) after giving pro forma effect to the incurrence of such Indebtedness, as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10;

(i) Indebtedness arising under any performance or surety bond, completion bond or similar obligation entered into in the ordinary course of business consistent with past practice;

(j) other Indebtedness of the Parent Borrower and its Subsidiaries (and guarantees thereof, without duplication) in an aggregate principal amount at any time outstanding not to exceed \$100.0 million;

(k) Indebtedness incurred by the Parent Borrower under (i) the Senior Notes (and guarantees by the Domestic Guarantors thereof) and (ii) the Existing Convertible Notes;

(l) any refinancing of Indebtedness incurred pursuant to Section 8.03(b), (c), (f), (h) or (k) so long as (i) if the Indebtedness being refinanced is Subordinated Debt, then such refinancing Indebtedness shall be at least as subordinated in right of payment and otherwise to the Obligations as the Indebtedness being refinanced, (ii) unless permitted pursuant to another clause of this Section 8.03 (and reducing availability under such other clause), the principal amount of the refinancing Indebtedness is not greater than the principal amount of the Indebtedness being refinanced, together with any premium paid, and accrued interest thereon and reasonable fees in connection therewith and reasonable costs and expenses incurred in connection therewith, (iii) the final maturity and Weighted Average Life to Maturity of the refinancing Indebtedness is not earlier or shorter, as the case may be, than the Indebtedness being refinanced, (iv) no Subsidiary (other than a Domestic Credit Party) that is not an obligor with respect the Indebtedness to be refinanced shall be an obligor with respect to the refinancing Indebtedness and (v) the material terms (other than as to interest rate, which shall be on then market terms) of the refinancing Indebtedness taken as a whole are at least as favorable to the Consolidated Group and the Lenders as under the Indebtedness being refinanced;

(m) overdrafts paid within 10 Business Days;

(n) Indebtedness in respect of trade letters of credit, warehouse receipts or similar instruments issued to support performance obligations (other than obligations in respect of Indebtedness) in the ordinary course of business;

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- (o) Indebtedness supported by a Letter of Credit, in a principal amount not in excess of the stated amount of such Letter of Credit;
- (p) Indebtedness consisting of (i) the financing of insurance premiums or (ii) take or pay obligations contained in supply arrangements, in each case, in the ordinary course of business;
- (q) Indebtedness representing deferred compensation to employees of the Parent Borrower or any Subsidiary incurred in the ordinary course of business;
- (r) Indebtedness consisting of promissory notes issued by the Parent Borrower to current or former officers, directors and employees, their respective estates, spouses or former spouses issued in exchange for the purchase or redemption by the Parent Borrower of Qualified Capital Stock permitted by Section 8.06(f); provided that (a) the Parent Borrower shall be able to make a Restricted Payment pursuant to Section 8.06(f) in an amount equal to the principal amount of each such note at the time such note is issued, and an amount equal to the principal amount of each such note shall reduce the amount of Restricted Payments able to be made under Section 8.06(f) and (b) the Parent Borrower shall be able to make a Restricted Payment pursuant to Section 8.06(f) in the amount of any other payment on each such note at the time such payment is made, and each such payment shall reduce the Restricted Payments available to be able to be made under Section 8.06(f);
- (s) Indebtedness consisting of obligations of the Parent Borrower or any Subsidiary under deferred compensation, indemnification, adjustment of purchase or acquisition price or other similar arrangements incurred by such Person in connection with the Transactions and Permitted Acquisitions or any other Investment expressly permitted hereunder;
- (t) all premium (if any), interest (including post petition interest), fees, expenses, charges and additional or contingent interest on obligations described in paragraphs (a) through (s) above;
- (u) Support Obligations by any member of the Consolidated Group in respect of Indebtedness incurred under clauses (a) through (t) of this Section 8.03, solely to the extent such member of the Consolidated Group would have itself been able to originally incur such Indebtedness;
- (v) Indebtedness of Foreign Subsidiaries arising under Euro-denominated and Sterling-denominated cash pooling arrangements; provided that the net obligations (after notional offsets for pooling participants, cash and Cash Equivalents) for such shall not exceed €7,500,000 for Euro-denominated arrangements and £7,500,000 for Sterling-denominated, and such Indebtedness may benefit from cross-guarantees from pooling participants and a guarantee from the Parent Borrower; and
- (w) AMG Indebtedness.

#### **8.04 Mergers and Dissolutions.**

- (a) Enter into a transaction of merger or consolidation, except that:
- (i) a Domestic Subsidiary of the Parent Borrower may be a party to a transaction of merger or consolidation with the Parent Borrower or another Domestic Subsidiary of the Parent Borrower; provided that if the Parent Borrower is a party to such transaction, the Parent Borrower shall be the surviving Person; provided, further that if the Parent Borrower is not a party to such transaction but a Domestic Guarantor is, such Domestic Guarantor shall be the surviving Person or the surviving Person shall become a Domestic Guarantor immediately upon the consummation of such transaction;
- (ii) a Foreign Subsidiary may be party to a transaction of merger or consolidation with the Parent Borrower or a Subsidiary of the Parent Borrower other than a Domestic Guarantor (unless such Domestic Guarantor is the surviving party); provided that (A) if the Parent Borrower is a party thereto, it shall be the surviving entity, (B) if preceding clause (A) does not apply and if a Foreign Borrower is a party

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thereto, it shall be the surviving entity, (C) if neither preceding clause (A) nor preceding clause (B) applies and if a Foreign Guarantor is a party thereto, it shall be the surviving Person or the surviving Person shall become a Foreign Guarantor immediately following the consummation of such transaction, and (D) if a Domestic Subsidiary is not a party thereto, the surviving entity shall be a Foreign Subsidiary and the Parent Borrower and its Subsidiaries shall be in compliance with the requirements of Section 7.13;

(iii) a Subsidiary may enter into a transaction of merger or consolidation in connection with a Subject Disposition effected pursuant to Section 8.05, so long as no more assets are Disposed of as a result of or in connection with any transaction undertaken pursuant to this clause (iii) than would otherwise have been allowed pursuant to Section 8.05; and

(iv) the Parent Borrower or any Subsidiary may merge with any other Person in connection with an Investment permitted pursuant to Section 8.02 so long as the continuing or surviving Person shall be a Subsidiary, which shall be (x) a Domestic Guarantor if the merging Subsidiary was a Domestic Guarantor and (y) a Foreign Guarantor if the merging Subsidiary was a Foreign Guarantor and, in each case, which together with each of its Subsidiaries shall have complied with the requirements of Section 7.12; provided that following any such merger or consolidation involving the Parent Borrower, the Parent Borrower is the surviving Person.

(b) Except pursuant to a transaction permitted by Section 8.04(a)(i), the Parent Borrower will not dissolve, liquidate or wind up its affairs.

#### **8.05 Dispositions.**

Make any Subject Disposition or Specified Intercompany Transfer, unless (i) in the case of a Subject Disposition only, at least seventy-five percent (75%) of the consideration received from each such Subject Disposition is cash or Cash Equivalents, (ii) such Subject Disposition or Specified Intercompany Transfer is made at fair market value and (iii) the aggregate amount of Property so Disposed (valued at fair market value thereof) in all Subject Dispositions and Specified Intercompany Transfers does not exceed the Applicable Disposition Amount.

#### **8.06 Restricted Payments.**

Declare or make, directly or indirectly, any Restricted Payment, except that:

(a) each Subsidiary may make Restricted Payments to the Parent Borrower or any Wholly Owned Subsidiary, or in the case of a Subsidiary that is not a Wholly Owned Subsidiary, to each equity holder of such Subsidiary on a pro rata basis (or on more favorable terms from the perspective of the Parent Borrower and its Wholly Owned Subsidiaries), based on their relative ownership interests or, solely to the extent required by law and involving de minimis amounts, on a non-pro rata basis to such equity holders;

(b) Restricted Payments to purchase Capital Stock of (A) any Person listed on Schedule 8.06(b) or (B) any other Person that becomes a Domestic Guarantor upon such purchase, that in each case is not held by (i) Parent Borrower, (ii) any Subsidiary or (iii) an Affiliate of Parent Borrower or any of its Subsidiaries; provided that after giving effect thereto (x) as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10 and (y) such Person becomes or continues to be a Subsidiary of the Parent Borrower;

(c) any refinancing permitted pursuant to Section 8.03(l) shall be permitted or any refinancing of any Existing Senior Notes with the proceeds of any Incremental Term Loans;

(d) any Investment permitted or not prohibited by Section 8.02 shall be permitted;

(e) [Reserved];

(f) the Parent Borrower may make Restricted Payments at any time in an aggregate amount not to exceed \$100.0 million plus if after giving effect to such Restricted Payments (i) as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), (x) the Parent Borrower would be in compliance with Section 8.10 and (y) the Consolidated Total Leverage Ratio would not be in excess of 3.50:1.00 (and if the Restricted Payment is greater than \$50.0 million, then the Parent Borrower shall deliver a certificate of a Responsible Officer of the Parent Borrower as to the satisfaction of the requirements in this clause (i) and (ii) no Default shall have occurred and be continuing or exist after giving effect thereto, the amount of the Cumulative Credit at such time;

(g) the Parent Borrower may make Restricted Payments consisting of payments or prepayments of principal on, or redemptions, repurchases or acquisitions for value of, its Indebtedness (i) in an aggregate amount for all such payments, prepayments, redemptions, repurchases and acquisitions not to exceed \$50.0 million (measured in each case by the fair market value of the consideration given by the Parent Borrower in connection with such prepayments, redemptions, repurchases or acquisitions) and (ii) in the case of any payment, prepayment, redemption, repurchase and acquisition of any Existing Senior Notes, additional amounts so long as, immediately after giving effect to such payment, prepayment, redemption, repurchase or acquisition, (x) as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10 and (y) the aggregate Dollar Equivalent amount available to be drawn under the Revolving Facilities after giving effect to such Restricted Payments would exceed \$150.0 million (and the Parent Borrower shall deliver a certificate of a Responsible Officer of the Parent Borrower as to the satisfaction of the requirements in this clause (ii));

(h) to the extent not used as part of or increasing the Cumulative Credit, the Parent Borrower may purchase, redeem or otherwise acquire shares of its common Capital Stock with the proceeds received from the substantially concurrent issue of new shares of its common Capital Stock;

(i) the members of the Consolidated Group may prepay or repay intercompany Indebtedness otherwise permitted hereunder owed to other members of the Consolidated Group;

(j) repurchases of Capital Stock deemed to occur upon the “cashless exercise” of stock options or warrants or upon the vesting of restricted stock units if such Capital Stock represents the exercise price of such options or warrants or represents withholding taxes due upon such exercise or vesting shall be permitted; and

(k) the repayment of the Azoff Promissory Note (x) in 46 (forty-six) equal monthly installments commencing January 1, 2010, it being understood that the Parent Borrower may, in its sole discretion, pay any particular monthly installment later than, but not earlier than, the regularly scheduled repayment date or (y) upon the death or Disability of Irving Azoff or upon the termination of Irving Azoff’s employment with the Parent Borrower by Irving Azoff for Good Reason or upon the termination by the Parent Borrower of Irving Azoff’s employment without Cause (with Disability, Cause and Good Reason having substantially equivalent meanings as set forth in Irving Azoff’s employment agreement with the Parent Borrower (as successor to Ticketmaster), dated October 22, 2008, taking into account the fact that the Parent Borrower is Irving Azoff’s employer and without regard to any termination of Irving Azoff’s employment with Front Line), shall, in the case of the foregoing subclauses (x) and (y), be permitted.

#### **8.07 Change in Nature of Business.**

Engage in any material line of business other than a Permitted Business.

#### 8.08 Change in Accounting Practices or Fiscal Year.

Change its (a) accounting policies or reporting practices, except as required by GAAP, or (b) fiscal year of the Parent Borrower or any Subsidiary.

#### 8.09 Transactions with Affiliates.

Enter into any transaction of any kind with any Affiliate (including, for purposes of clarity, any Unrestricted Subsidiary) of the Parent Borrower (other than between or among (x) Domestic Credit Parties, (y) Foreign Credit Parties or (z) one or more Subsidiaries of the Parent Borrower that are not Credit Parties), whether or not in the ordinary course of business, other than (i) on fair and reasonable terms substantially as favorable in all material respects to the Parent Borrower or the applicable Subsidiary as would be obtainable by the Parent Borrower or such Subsidiary at the time in a comparable arm's-length transaction with a Person other than an Affiliate, (ii) Restricted Payments permitted by Section 8.06 (other than Section 8.06(c)) and (iii) Investments permitted by Section 8.02(c), (f), (g), (s), (w) or, to the extent that such transaction is with a Person that becomes an Affiliate of the Parent Borrower or a Subsidiary solely as a result of such transaction, any transaction pursuant to Section 8.02(i), (k), (m) or (x).

#### 8.10 Financial Covenants.

(a) Consolidated Total Leverage Ratio. Permit the Consolidated Total Leverage Ratio as of any date set forth below to exceed the ratio set forth opposite such date.

<u>Fiscal Quarter Ending</u>	<u>Consolidated Total Leverage Ratio</u>
June 30, 2010	4.90:1.00
September 30, 2010	4.90:1.00
December 31, 2010	4.90:1.00
March 31, 2011	4.90:1.00
June 30, 2011	4.90:1.00
September 30, 2011	4.50:1.00
December 31, 2011	4.50:1.00
March 31, 2012	4.50:1.00
June 30, 2012	4.50:1.00
September 30, 2012	4.00:1.00
December 31, 2012	4.00:1.00
March 31, 2013	4.00:1.00
June 30, 2013	4.00:1.00
September 30, 2013	3.75:1.00
December 31, 2013	3.75:1.00
March 31, 2014	3.75:1.00
June 30, 2014	3.75:1.00
September 30, 2014	3.75:1.00
December 31, 2014	3.75:1.00
March 31, 2015 and each fiscal quarter end thereafter	3.50:1.00

(b) Consolidated Interest Coverage Ratio. Permit the Consolidated Interest Coverage Ratio as of any date set forth below (computed for the period of four fiscal quarters ending on such date) to be less than the ratio set forth opposite such date.

<u>Fiscal Quarter Ending</u>	<u>Consolidated Interest Coverage Ratio</u>
June 30, 2010	2.50:1.00
September 30, 2010	2.50:1.00
December 31, 2010	2.50:1.00

March 31, 2011	2.50:1.00
June 30, 2011	2.50:1.00
September 30, 2011	2.75:1.00
December 31, 2011	2.75:1.00
March 31, 2012	2.75:1.00
June 30, 2012	2.75:1.00
September 30, 2012 and each fiscal quarter end thereafter	3.00:1.00

### **8.11 Capital Expenditures.**

Make Capital Expenditures that would cause the Dollar Equivalent of the Consolidated Capital Expenditures in any fiscal year of the Parent Borrower to exceed the amount set forth below opposite such fiscal year:

<u>Fiscal Year Ended</u>	<u>Consolidated Capital Expenditures</u>
2010	\$125,000,000
2011	\$135,000,000
2012	\$150,000,000
2013 and thereafter	\$175,000,000

provided that to the extent Consolidated Capital Expenditures in any fiscal year of the Parent Borrower pursuant to this Section 8.11 is less than the maximum amount of Consolidated Capital Expenditures permitted by this Section 8.11 with respect to such fiscal year, the amount of such difference (the “Rollover Amount”) may be carried forward and used to make Capital Expenditures in the immediately succeeding fiscal year; provided, further, that Consolidated Capital Expenditures in any fiscal year shall be counted against the Rollover Amount available with respect to such fiscal year prior to being counted against the base amount with respect to such fiscal year and provided, further, that for purposes of this Section 8.11, all Capital Expenditures made with Net Cash Proceeds that are reinvested in accordance with Section 2.06(b)(ii) shall be disregarded in determining Consolidated Capital Expenditures in any fiscal year of the Parent Borrower.

### **8.12 Limitation on Subsidiary Distributions.**

Directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Subsidiary to (a) pay dividends or make any other distributions on its capital stock or any other interest or participation in its profits owned by the Parent Borrower or any Subsidiary, or pay any Indebtedness owed to the Parent Borrower or a Subsidiary, (b) make loans or advances to the Parent Borrower or any Subsidiary or (c) transfer any of its properties to the Parent Borrower or any Subsidiary, except for such encumbrances or restrictions existing under or by reason of (i) applicable Law; (ii) this Credit Agreement and the other Credit Documents; (iii) the Senior Notes; (iv) customary provisions restricting subletting or assignment of any lease governing a leasehold interest of a Subsidiary; (v) customary provisions restricting assignment of any agreement entered into by a Subsidiary in the ordinary course of business; (vi) any Lien permitted by Section 8.01 restricting the transfer of the property subject thereto; (vii) any agreement relating to the sale of any property permitted under Section 8.05 pending the consummation of such sale (provided that such encumbrances or restrictions are customary for such agreements); (viii) without affecting the Credit Parties’ obligations under Sections 7.12, 7.13 or 7.14, customary provisions in partnership agreements, limited liability company organizational governance documents, stockholders agreements, asset sale and stock sale agreements and other similar agreements entered into in the ordinary course of business that restrict the transfer of ownership interests in such partnership, limited liability company or similar person; (ix) restrictions on cash or other deposits or net worth imposed by suppliers or landlords under contracts entered into in the ordinary course of business; (x) any instrument governing Indebtedness assumed in connection with any Permitted Acquisition pursuant to Section 8.03(h), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person or the properties or assets of the Person so acquired; (xi) in the case of any Subsidiary that is not a Wholly Owned Subsidiary in respect of any matters referred to in clauses (b) and (c) above, such Person’s Organization Documents or pursuant to any joint venture agreement or stockholders agreements solely to the extent of the Capital Stock of or property held in the subject

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joint venture or other entity; (xii) contracts or agreements in effect on the Closing Date relating to Indebtedness existing on the Closing Date and set forth on Schedule 8.03 or relating to AMG Indebtedness; (xiii) any restrictions imposed by any agreement incurred pursuant to Section 8.03(f) to the extent such restrictions are not more restrictive, taken as a whole, than the restrictions contained in the New Senior Notes as in effect on the Closing Date; (xiv) customary net worth provisions contained in real property leases entered into by the Parent Borrower or any Subsidiary, so long as the Parent Borrower has determined in good faith that such net worth provisions would not reasonably be expected to impair the ability of the Parent Borrower and its Subsidiaries to meet their ongoing obligations; (xv) any agreement in effect at the time any Person becomes a Subsidiary, so long as such agreement was not entered into in contemplation of such Person becoming a Subsidiary; (xvi) any agreement representing Indebtedness permitted under Section 8.03 of a Subsidiary of the Parent Borrower that is not a Credit Party; (xvii) restrictions on cash or other deposits imposed by customers under contracts entered into in the ordinary course of business; (xviii) the buy-sell, voting trust and other shareholder arrangements set forth in Schedule 6.14; and (xix) any refinancings that are otherwise permitted by the Credit Documents of the contracts, instruments or obligations referred to above; provided that such refinancings are no more materially restrictive with respect to such encumbrances and restrictions than those prior to such amendment or refinancing.

### **8.13 Amendment of Material Documents.**

Amend, modify or waive any of its rights under its certificate of incorporation, by-laws or other organizational documents, in each case to the extent that such amendment, modification or waiver could reasonably be expected to be material and adverse to the Lenders.

### **8.14 Sale and Leaseback Transactions.**

Enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred, except for any such sale of any fixed or capital assets that is made for cash consideration in an amount not less than the cost of such fixed or capital asset and is consummated within 180 days after the Parent Borrower or such Subsidiary acquires or completes the construction of such fixed or capital asset. Notwithstanding the foregoing, each of the Parent Borrower and its Subsidiaries may sell or transfer any Designated Sale and Leaseback Asset, and rent or lease it back (or rent or lease other property that it intends to use for substantially the same purpose or purposes as the property so sold or transferred), if (a) the Parent Borrower promptly gives notice of such sale to the Administrative Agent; (b) the Net Proceeds of such sale or transfer are at least equal to fair market value (provided that in the event such sale or transfer (or series of related sales or transfers) involves an aggregate consideration of more than the Dollar Equivalent of \$30.0 million, the Parent Borrower will obtain a written opinion from an independent accounting or appraisal firm of nationally recognized standing confirming that the consideration for such sale or transfer (or series of related sales or transfers) is fair, from a financial standpoint, to the Parent Borrower and its Subsidiaries or is not less favorable than those that might reasonably have been obtained in a comparable sale or transfer of such property, real or personal, at such time on an arm's-length basis from a Person that is not an Affiliate of the Parent Borrower); (c) at least 75% of the consideration received with respect to each such sale or transfer shall consist of cash, Cash Equivalents, Investments permitted by Section 8.02, liabilities assumed by the transferee, accounts receivable retained by the transferor or any combination of the foregoing; (d) in the event that such sale and leaseback results in a capital lease obligation or Synthetic Lease, such Indebtedness is permitted by Section 8.03(c); (e) no Default shall have occurred and be continuing or exist after giving effect thereto; and (f) after giving effect on a Pro Forma Basis to such Sale and Leaseback Transaction and any Indebtedness incurred in respect therewith, as of the last day of the most recently ended fiscal quarter at the end of which financial statements were required to have been delivered pursuant to Section 7.01(a) or (b) (or, prior to such first required delivery date for such financial statements, as of the last day of the most recent period referred to in the first sentence of Section 6.05), the Parent Borrower would be in compliance with Section 8.10 (and in the event such sale or transfer (or series of related sales or transfers) involves an aggregate consideration of more than the Dollar Equivalent of \$30.0 million, then the Parent Borrower shall deliver a certificate of a Responsible Officer of the Parent Borrower as to the satisfaction of the requirements in this clause (f)).



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### **8.15 Swap Contracts.**

Enter into any Swap Contract, except (a) Swap Contracts required by Section 7.16, (b) Swap Contracts entered into to hedge or mitigate risks to which the Parent Borrower or any Subsidiary has actual exposure (other than those in respect of Capital Stock of the Parent Borrower or any Subsidiary) and (c) Swap Contracts entered into in order to effectively cap, collar or exchange (i) interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) with respect to any interest bearing liability or investment of any Borrower or any Subsidiary and (ii) currency exchange rates, in each case in connection with the conduct of its business and not for speculative purposes.

## **ARTICLE IX**

### **EVENTS OF DEFAULT AND REMEDIES**

#### **9.01 Events of Default.**

Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Parent Borrower or any other Credit Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or any B/A or any amount of principal of any L/C Obligation, or (ii) within three (3) Business Days after the same becomes due or required to be paid herein, any interest on any Loan or any B/A or any regularly accruing fee due hereunder or any other amount payable hereunder or under any other Credit Document; or

(b) Specific Covenants. The Parent Borrower or any other Credit Party fails to perform or observe any term, covenant or agreement contained in any of Section 7.03(a), 7.11 or Article VIII or, with respect to the existence of any Borrower only, Section 7.04; or

(c) Other Defaults. The Parent Borrower or any other Credit Party fails to perform or observe any other covenant or agreement (not specified in subsections (a) or (b) above) contained in any Credit Document on its part to be performed or observed and such failure continues for thirty (30) calendar days after written notice to the defaulting party or the Parent Borrower by the Administrative Agent or the Required Lenders; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Parent Borrower or any other Credit Party herein, in any other Credit Document, or in any document delivered in connection herewith or therewith shall be false in any material respect when made or deemed made; or

(e) Cross-Default. (i) Any member of the Consolidated Group (A) fails (beyond the period of grace (if any) provided in the instrument or agreement pursuant to which such Indebtedness was created) to make any payment when due (whether by scheduled maturity, interest, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Support Obligations (other than Indebtedness hereunder or Indebtedness under Swap Contracts) having a principal amount (with principal amount for the purposes of this clause (e) including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement), when taken together with the principal amount of all other Indebtedness and Support Obligations as to which any such failure has occurred, exceeding \$35.0 million or (B) fails to observe or perform any other agreement or condition relating to any Indebtedness or Support Obligations or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which failure or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Support Obligations (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Support Obligations to

become payable or cash collateral in respect thereof to be demanded, which has an unpaid principal amount, when taken together with the unpaid principal amounts of all other Indebtedness and Support Obligations as to which any such failure or event has occurred, exceeding \$35.0 million; or (ii) there occurs under any Swap Contract an “early termination date” (or term of similar import) resulting from (A) any event of default under such Swap Contract as to which the Parent Borrower or any Subsidiary is the “defaulting party” (or term of similar import) or (B) any “termination event” (or term of similar import) under such Swap Contract as to which the Parent Borrower or any Subsidiary is an “affected party” (or term of similar import) and, when taken together with all other Swap Contracts as to which events of default or events referred to in the immediately preceding clauses (A) or (B) are applicable, the Swap Termination Value owed by the Parent Borrower and its Subsidiaries exceeds \$35.0 million; or

(f) Insolvency Proceedings, Etc. Any Credit Party or any Significant Subsidiary institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty (60) calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) calendar days, or an order for relief is entered in any such proceeding; or

(g) Change of Control. There shall have occurred a Change of Control of the Parent Borrower; or

(h) Inability to Pay Debts; Attachment. Any Credit Party or any Significant Subsidiary becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

(i) Judgments. There is entered against any member of the Consolidated Group one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding \$35.0 million (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage or otherwise discharged), and there is a period of 30 consecutive days during which a stay of enforcement of such judgments, by reason of a pending appeal or otherwise, is not in effect; or

(j) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan that has resulted or would reasonably be expected to result in liability of a Credit Party in an aggregate amount in excess of \$35.0 million, or (ii) a Credit Party fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of \$35.0 million; or

(k) Invalidity of Credit Documents. Any Credit Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Credit Party contests in any manner the validity or enforceability of any Credit Document; or any Credit Party denies that it has any or further liability or obligation under any Credit Document, or purports to revoke, terminate or rescind any Credit Document; or

(l) Collateral Documents. Any Collateral Document after delivery thereof pursuant to Section 5.01, 7.13 or 7.14 shall for any reason cease to create a valid and perfected first priority Lien to the extent required by the Collateral Documents (subject to no other Liens other than Liens permitted by Section 8.01) on Collateral that is (i) purported to be covered thereby and (ii) comprises Property which, when taken together with all Property as to which such a Lien has so ceased to be effective, has a fair market value in excess of \$10.0 million (other than by reason of (x) the express release thereof pursuant to Section 10.10).

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(y) the failure of the Collateral Agent to retain possession of Collateral physically delivered to it or (z) the failure of the Collateral Agent to timely file Uniform Commercial Code continuation statements); or

(m) Subordinated Debt. Any Subordinated Debt of the Parent Borrower or any Credit Party or any guarantee of the Parent Borrower or any Credit Party in respect thereof shall cease, for any reason, to be validly subordinated to the Obligations, as provided in such Subordinated Debt or such guarantee, or the Parent Borrower, any Subsidiary, any Affiliate of the Parent Borrower or any Subsidiary, the trustee in respect of such Subordinated Debt (or any refinancing thereof pursuant to Section 8.03(l)) shall so assert in writing.

### **9.02 Remedies upon Event of Default.**

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the Commitments of the Lenders and the obligation of the L/C Issuers to make L/C Credit Extensions to be terminated, whereupon such Commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans and B/As, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Credit Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrowers;

(c) require that the Parent Borrower Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof);

(d) require that the Canadian Borrowers cash collateralize amounts to become due with respect to outstanding B/As in accordance with Section 2.06(c)(iii); and

(e) exercise on behalf of itself and the Lenders all rights and remedies available to it or to the Lenders under the Credit Documents or applicable Law;

provided, however, that upon the occurrence of an Event of Default under Section 9.01(f) or (h), the obligation of each Lender to make Loans and accept and purchase B/As and any obligation of the L/C Issuers to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Parent Borrower to Cash Collateralize the L/C Obligations and the Canadian Borrowers to cash collateralize amounts to become due with respect to outstanding B/As as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

### **9.03 Application of Funds.**

After the exercise of remedies provided for in Section 9.02 (or after the Loans have automatically become immediately due and payable, the outstanding B/As have automatically been required to be cash collateralized and the L/C Obligations have automatically been required to be Cash Collateralized, in each case as set forth in the proviso to Section 9.02), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including all reasonable fees, expenses and disbursements of any law firm or other counsel and amounts payable under Article III) payable to the Administrative Agent and the Collateral Agent, in each case in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest, Commitment Fees, Letter of Credit Fees and B/A Fees) payable to the Lenders (including all reasonable fees, expenses and disbursements of any law firm or other counsel and amounts payable under Article III), ratably among the Lenders in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Commitment Fees, Letter of Credit Fees, B/A Fees and interest on the Loans, B/A Drawings, L/C Borrowings and other Obligations, ratably among the Lenders, the Swingline Lender and the L/C Issuers in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to (a) payment of that portion of the Obligations constituting unpaid principal of the Loans, the aggregate face amount of any outstanding B/As and L/C Borrowings, (b) payment of breakage, termination or other amounts owing in respect of any Swap Contract between any Credit Party and any Lender, or any Affiliate of a Lender, to the extent such Swap Contract is permitted hereunder, (c) payments of amounts due under any Treasury Management Agreement between any Credit Party and any Lender, or any Affiliate of a Lender and (d) the Administrative Agent for the account of the L/C Issuers, to Cash Collateralize that portion of the L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit, ratably among such parties in proportion to the respective amounts described in this clause Fourth payable to them; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Parent Borrower or as otherwise required by Law.

provided that no amount received from any Foreign Credit Party or on account of any Collateral that is solely Collateral for the Foreign Obligations shall be applied pursuant to second, third or fourth clause of this paragraph to the extent such amounts do not constitute Foreign Obligations. Subject to Section 2.03(c), amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fourth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as cash collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

## ARTICLE X

### AGENTS

#### **10.01 Appointment and Authorization of the Agents.**

(a) Each of the Lenders and the L/C Issuers hereby irrevocably appoints (i) JPMCB to act on its behalf as the Administrative Agent and Collateral Agent, (ii) JPMorgan Chase Bank, N.A., Toronto Branch, to act on its behalf as the Canadian Agent and (iii) JPME to act on its behalf as the London Agent, in each case hereunder and under the other Credit Documents and authorizes each Agent to take such actions on its behalf and to exercise such powers as are delegated to the such Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Agents, the Lenders and the L/C Issuers, and neither the Parent Borrower nor any other Credit Party shall have rights as a third party beneficiary of any of such provisions.

(b) Each Lender hereby irrevocably appoints, designates and authorizes the Collateral Agent to take such action on its behalf under the provisions of this Credit Agreement and each Collateral Document and to exercise such powers and perform such duties as are expressly delegated to it by the terms of this Credit Agreement or any Collateral Document, together with such powers as are reasonably incidental thereto. In this connection, the Collateral Agent, and any co-agents, sub-agents and attorneys-in-fact appointed by the Collateral Agent pursuant to Section 10.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Collateral Agent), shall be entitled to the benefits of all provisions of this Article X and Article XI (including Section 11.04(c)).

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as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Credit Documents) as if set forth in full herein with respect thereto. Notwithstanding any provision to the contrary contained elsewhere herein or in any Collateral Document, no Agent shall have any duties or responsibilities, except those expressly set forth herein or therein, nor shall any Agent have or be deemed to have any fiduciary relationship with any Lender or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Credit Agreement or any Collateral Document or otherwise exist against any Agent. Without limiting the generality of the foregoing sentence, the use of the term “agent” herein and in the Collateral Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties. The Collateral Agent shall act on behalf of the Lenders with respect to any Collateral and the Collateral Documents, and the Collateral Agent shall have all of the benefits and immunities (i) provided to the Administrative Agent under the Credit Documents with respect to any acts taken or omissions suffered by the Collateral Agent in connection with any Collateral or the Collateral Documents as fully as if the term “Administrative Agent” as used in such Credit Documents included the Collateral Agent with respect to such acts or omissions, and (ii) as additionally provided herein or in the Collateral Documents with respect to the Collateral Agent.

(c) Each L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each L/C Issuer shall have all of the benefits and immunities (i) provided to the Agents in this Article X with respect to any acts taken or omissions suffered by any L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term “Agent” as used in this Article X included such L/C Issuer with respect to such acts or omissions, and (ii) as additionally provided herein with respect to such L/C Issuer.

#### **10.02 Rights as a Lender.**

Each Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not an Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as such Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Parent Borrower or any Subsidiary or other Affiliate thereof as if such Person were not an Agent hereunder and without any duty to account therefor to the Lenders.

#### **10.03 Exculpatory Provisions.**

The Agents shall not have any duties or obligations except those expressly set forth herein and in the other Credit Documents. Without limiting the generality of the foregoing, the Agents:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Credit Documents that the Agents are required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Credit Documents), provided that no Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Credit Document or applicable law; and

(c) shall not, except as expressly set forth herein and in the other Credit Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Parent Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as an Agent or any of its or their Affiliates in any capacity.

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No Agent shall be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as such Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 9.02) or (ii) in the absence of its own gross negligence or willful misconduct. The Agents shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to such Agent by the Parent Borrower, a Lender or an L/C Issuer.

No Agent shall be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Credit Agreement or any other Credit Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Credit Agreement, any other Credit Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or the sufficiency of any Collateral or (vi) the satisfaction of any condition set forth in Article V or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to such Agent.

#### **10.04 Reliance by Agents.**

Each Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Each Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, the acceptance and purchase of any B/A or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an L/C Issuer, each Agent may presume that such condition is satisfactory to such Lender or such L/C Issuer unless such Agent shall have received notice to the contrary from such Lender or such L/C Issuer prior to the making of such Loan, the acceptance and purchase of such B/A or the issuance of such Letter of Credit. Each Agent may consult with legal counsel (who may be counsel for the Parent Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by them in accordance with the advice of any such counsel, accountants or experts.

#### **10.05 Delegation of Duties.**

Each Agent may perform any and all of their duties and exercise their rights and powers hereunder or under any other Credit Document by or through any one or more sub-agents appointed by such Agent. Any Agent and any such sub-agent may perform any and all of their duties and exercise their rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Agents, 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 such Agent.

#### **10.06 Resignation of an Agent.**

Each of the Agents may at any time give notice of its resignation to the Lenders, the L/C Issuers and the Parent Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the consent of the Parent Borrower (provided, no consent shall be required if an Event of Default has occurred and is continuing), to appoint a successor, which (i) in the case of a resignation by the Administrative Agent or the Collateral Agent, shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States, (ii) in the case of a resignation by the Canadian Agent, shall be a bank with an office in Canada, or an Affiliate of any such bank with an office in Canada or (iii) in the case of a resignation by the London Agent, shall be a bank with an office in London, or an Affiliate of any such bank with an office in London. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation, then the retiring Agent may on behalf of the Lenders and the L/C Issuers, with the consent of the Parent Borrower (provided, no consent shall be required if an Event of Default

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has occurred and is continuing), appoint a successor Agent meeting the qualifications set forth above; provided that if such Agent shall notify the Parent Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any collateral security held by such Agent on behalf of the Lenders or the L/C Issuers under any of the Credit Documents, such retiring Agent shall continue to hold such collateral security until such time as a successor Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through such Agent shall instead be made by or to each Lender and each L/C Issuer directly, until such time as the Required Lenders appoint a successor Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as an Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Parent Borrower to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Parent Borrower and such successor. After the retiring Agent's resignation hereunder and under the other Credit Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting as such Agent.

Any resignation by JPMCB as Administrative Agent or Collateral Agent, as the case may be, pursuant to this Section shall also constitute its resignation as Dollar L/C Issuer, Multicurrency L/C Issuer and Swingline Lender. Upon the acceptance of a successor's appointment as Administrative Agent or Collateral Agent, as the case may be, hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuers and Swingline Lender, (b) the retiring L/C Issuers and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Credit Documents, and (c) the successor L/C Issuers shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuers to effectively assume the obligations of the retiring L/C Issuers with respect to such Letters of Credit.

**10.07 Non-Reliance on Agents and Other Lenders.**

Each Lender and L/C Issuer acknowledges that it has, independently and without reliance upon any Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Credit Agreement. Each Lender and L/C Issuer also acknowledges that it will, independently and without reliance upon any Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Credit Agreement, any other Credit Document or any related agreement or any document furnished hereunder or thereunder.

**10.08 No Other Duties.**

Anything herein to the contrary notwithstanding, none of the "Co-Syndication Agents," "Co-Documentation Agents," "Joint Lead Arrangers" and "Joint Bookrunners" listed on the cover page hereof shall have any powers, duties or responsibilities under this Credit Agreement or any of the other Credit Documents, except in its capacity, as applicable, as an Agent, a Lender or an L/C Issuer hereunder.

**10.09 Agents May File Proofs of Claim.**

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Credit Party, any Agent (irrespective of whether the principal of any Loan, B/A Drawing or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Applicable Agent shall have made any demand on the Parent Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

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(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations (other than obligations under Swap Contracts or Treasury Management Agreements to which such Agent is not a party) that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuers and the Agents (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuers and the Agents and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuers and the Agents under Sections 2.09 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and L/C Issuer to make such payments to such Agent and, in the event that such Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuers, to pay to such Agent any amount due for the reasonable compensation, expenses, disbursements and advances of such Agent and its agents and counsel, and any other amounts due to such Agent under Sections 2.09 and 11.04.

Nothing contained herein shall be deemed to authorize the Applicable Agent to authorize or consent to or accept or adopt on behalf of any Lender or L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize any Agent to vote in respect of the claim of any Lender in any such proceeding.

#### **10.10 Collateral and Guaranty Matters.**

The Lenders and the L/C Issuers irrevocably authorize the Administrative Agent and the Collateral Agent, at its option and in its discretion:

(a) to release any Guarantor from its obligations under the Collateral Documents if such Person ceases to be a Subsidiary as a result of a transaction not prohibited hereunder or is designated as an Excluded Subsidiary pursuant to clause (e) of the definition thereof, or if the conditions set forth in clause (b)(i) below are satisfied;

(b) to release any Lien on any property granted to or held by the Collateral Agent under any Credit Document (i) upon termination of the Aggregate Commitments and payment in full of all Obligations (other than (A) contingent indemnification obligations not then due and payable and (B) obligations and liabilities under Swap Contracts and Treasury Management Agreements not then due and payable) and the expiration or termination of all Letters of Credit (or if any Letters of Credit shall remain outstanding, upon (x) the cash collateralization of the Outstanding Amount of Letters of Credit on terms satisfactory to the Administrative Agent and L/C Issuer or (y) the receipt by any applicable L/C Issuer of a backstop letter of credit on terms satisfactory to the Administrative Agent and such L/C Issuer), (ii) that is Disposed of as part of or in connection with any sale or other Disposition not prohibited hereunder or under any other Credit Document (other than any such sale or other Disposition to another Credit Party), or (iii) subject to Section 11.01, if approved, authorized or ratified in writing by the Required Lenders; and

(c) to subordinate any Lien on any property granted to or held by the Collateral Agent under any Credit Document to the holder of any Lien on such property that is granted pursuant to Section 8.01(i) or (z).

Upon request by the Administrative Agent or the Collateral Agent at any time, the Required Lenders will confirm in writing the authority of the Collateral Agent to release or subordinate its interest in particular property and of the Administrative Agent to release any Guarantor from its obligations hereunder pursuant to this Section 10.10 in connection with a transaction permitted hereunder.



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**10.11 Withholding Tax.**

To the extent required by any applicable law, the Applicable Agent may deduct or withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If the IRS or any other authority of the United States or other jurisdiction asserts a claim that the Applicable 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 Applicable Agent of a change in circumstance that rendered the exemption from, or reduction of withholding Tax ineffective), such Lender shall indemnify and hold harmless the Agents (to the extent that the Applicable Agent has not already been reimbursed by the Borrowers pursuant to Sections 3.01 and 3.04 and without limiting or expanding the obligation of the Borrowers to do so) fully for all amounts paid, directly or indirectly, by the Applicable Agent as Tax or otherwise, together with all expenses incurred, including legal expenses and any out-of-pocket expenses, whether or not such Tax was correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Applicable Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Applicable Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Credit Document against any amount due to the Applicable Agent under this Section 10.11. The agreements in this Section 10.11 shall survive the resignation and/or replacement of the Applicable Agent, any assignment of rights by, or the replacement of, a Lender, the termination of this Agreement and the repayment, satisfaction or discharge of all other Obligations. For purposes of this Section 10.11, the term "Lender" shall include any L/C Issuer and the Swingline Lender.

**10.12 Treasury Management Agreements and Swap Contracts.**

Except as otherwise expressly set forth herein or in any Collateral Document, no Treasury Management Bank or Hedge Bank that obtains the guarantees hereunder or any Collateral by virtue of the provisions hereof or of any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Credit Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Credit Documents. Notwithstanding any other provision of this Article X to the contrary, no Agent shall be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements and Swap Contracts unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Treasury Management Bank or Hedge Bank, as the case may be.

**ARTICLE XI****MISCELLANEOUS****11.01 Amendments, Etc.**

No amendment or waiver of, or any consent to deviation from, any provision of this Credit Agreement or any other Credit Document shall be effective unless in writing and signed by the Parent Borrower or the applicable Credit Party, as the case may be, and the Required Lenders and the Administrative Agent (at the direction of the Required Lenders), and each such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given; provided, however, that:

(a) without the consent of each Lender, no such amendment, waiver or consent shall:

(i) amend or waive any condition precedent to the initial Credit Extension set forth in Section 5.01 or (solely with respect to the initial Credit Extension) any condition precedent set forth in Section 5.02,

(ii) change any provision of this Credit Agreement regarding pro rata sharing or pro rata funding with respect to (A) the making of advances (including participations), (B) the manner of application of payments or prepayments of principal, interest, or fees, (C) the manner of application

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of reimbursement obligations from drawings under Letters of Credit, or (D) the manner of reduction of commitments and committed amounts,

(iii) change any provision of this Section 11.01(a) or the definition of “Required Lenders” or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder,

(iv) release all or substantially all of the Collateral (other than as provided herein as of the Closing Date), or

(v) release all or substantially all of the value of the guarantees provided by the Domestic Guarantors or the Foreign Guarantors (other than as provided herein as of the Closing Date) or, if any Foreign Subsidiary shall have been added as an additional Foreign Borrower pursuant to Section 1.08, release the Parent Borrower from its guarantee of the obligations in respect of any borrowings by such Foreign Borrower;

(b) without the consent of each Lender adversely affected thereby, no such amendment, waiver or consent shall:

(i) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 9.02), it being understood that the amendment or waiver of an Event of Default or a mandatory reduction or a mandatory prepayment in Commitments shall not be considered an increase in Commitments,

(ii) waive non-payment or postpone any date fixed by this Credit Agreement or any other Credit Document for any payment of principal, interest, fees or other amounts due to any Lender hereunder or under any other Credit Document or change the scheduled final maturity of any Loan or any B/A,

(iii) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or any amount payable in respect of B/As or any fees or other amounts payable hereunder or under any other Credit Document; provided, however, that only the consent of the Required Lenders shall be necessary (A) to amend the definition of “Default Rate” or to waive any obligation of the applicable Borrower to pay interest or Letter of Credit Fees at the Default Rate or (B) to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Borrowing, or any amount payable in respect of B/As or to reduce any fee payable hereunder, or

(iv) except as otherwise expressly permitted in the Credit Documents as in effect on the Closing Date, expressly subordinate any of the Obligations in right of payment to any other obligations or subordinate all or substantially all of the Liens securing the Obligations to Liens securing any other Indebtedness;

(c) unless signed by the Required Term A Lenders, no such amendment, waiver or consent shall:

(i) amend or waive the manner of application of any mandatory prepayment to the Term A Loans under Section 2.06(c), or

(ii) amend or waive the provisions of this Section 11.01(c) or the definition of “Required Term A Lenders”;

(d) unless signed by the Required Term B Lenders, no such amendment, waiver or consent shall:

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- (i) amend or waive the manner of application of any mandatory prepayment to the Term B Loans under Section 2.06(c), or
- (ii) amend or waive the provisions of this Section 11.01(c) or the definition of “Required Term B Lenders”;

(e) any such amendment, waiver or consent to any provision that relates to the Term A Loan Commitments and/or Term A Loans, the Term B Loan Commitments and/or Term B Loans or the Revolving Commitments and/or Revolving Loans but does not apply (or applies differently) to the other Commitments and/or Loans, shall also require the consent of the Required Term A Lenders, Required Term B Lenders or Required Revolving Lenders, respectively;

(f) any such amendment, waiver or consent to any provision that relates to (i) the Dollar Revolving Commitments or Dollar Revolving Loans, on the one hand, but not the Limited Currency Revolving Commitments, Multicurrency Revolving Commitments, Limited Currency Revolving Loans or Multicurrency Revolving Loans, on the other hand, (ii) the Limited Currency Revolving Commitments or Limited Currency Revolving Loans, on the one hand, but not the Dollar Revolving Commitments, Multicurrency Revolving Commitments, Dollar Revolving Loans or Multicurrency Revolving Loans, on the other hand, or (iii) the Multicurrency Revolving Commitments or Multicurrency Revolving Loans, on the one hand, but not the Dollar Revolving Commitments, Limited Currency Revolving Commitments, Dollar Revolving Loans or Limited Currency Revolving Loans, on the other hand, or applies differently to (x) the Dollar Revolving Commitments or Dollar Revolving Loans, on the one hand, and to the Limited Currency Revolving Commitments, Multicurrency Revolving Commitments, Limited Currency Revolving Loans or Multicurrency Revolving Loans, on the other hand, (y) the Limited Currency Revolving Commitments or Limited Currency Revolving Loans, on the one hand, and the Dollar Revolving Commitments, Multicurrency Revolving Commitments, Dollar Revolving Loans or Multicurrency Revolving Loans, on the other hand, or (z) the Multicurrency Revolving Commitments or Multicurrency Revolving Loans, on the one hand, and the Dollar Revolving Commitments, Limited Currency Revolving Commitments, Dollar Revolving Loans or Limited Currency Revolving Loans, on the other hand, shall also require the consent of the Required Dollar Revolving Lenders, the Required Limited Currency Revolving Lenders or the Required Multicurrency Revolving Lenders, respectively;

(g) unless also signed by the Required Revolving Lenders, no such amendment, waiver or consent shall amend or waive (i) the provisions of this Section 11.01(g), (ii) the definition of “Required Revolving Lenders” or (iii) any condition precedent to any Credit Extension (other than the initial Credit Extension) set forth in Section 5.02 or Section 5.03;

(h) unless also signed by the Required Dollar Revolving Lenders, no such amendment, waiver or consent shall amend or waive the provisions of this Section 11.01(h) or the definition of “Required Dollar Revolving Lenders”;

(i) unless also signed by the Required Limited Currency Revolving Lenders, no such amendment, waiver or consent shall amend or waive the provisions of this Section 11.01(i) or the definition of “Required Limited Currency Revolving Lenders”;

(j) unless also signed by the Required Multicurrency Revolving Lenders, no such amendment, waiver or consent shall amend or waive the provisions of this Section 11.01(j) or the definition of “Required Multicurrency Revolving Lenders”;

(k) unless also consented to in writing by an L/C Issuer, no such amendment, waiver or consent shall affect the rights or duties of such L/C Issuer under this Credit Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it;

(l) unless also consented to in writing by the Swingline Lender, no such amendment, waiver or consent shall affect the rights or duties of the Swingline Lender under this Credit Agreement;

(m) unless also consented to in writing by the Administrative Agent, no such amendment, waiver or consent shall affect the rights or duties of the Administrative Agent under this Credit Agreement or any other Credit Document; and

(n) unless also consented to in writing by the Collateral Agent, no such amendment, waiver or consent shall affect the rights or duties of the Collateral Agent under this Credit Agreement or any other Credit Document;

provided, however, that notwithstanding anything to the contrary contained herein, (i) each Lender is entitled to vote as such Lender sees fit on any bankruptcy or insolvency reorganization plan that affects the Loans, (ii) each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersedes the unanimous consent provisions set forth herein, (iii) the Required Lenders may consent to allow a Credit Party to use cash collateral in the context of a bankruptcy or insolvency proceeding, (iv) Section 11.06(h) may not be amended, waived or otherwise modified without the consent of each Granting Lender all or any part of whose Loans are being funded by a SPC at the time of such amendment, waiver or other modification, (v) the Engagement Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto and (vi) the Administrative Agent Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

Notwithstanding anything to the contrary contained in this Section 11.01, (a) if the Administrative Agent and the Parent Borrower shall have jointly identified an obvious error (including, but not limited to, an incorrect cross-reference) or any error or omission of a technical nature, in each case, in any provision of any Credit Document, then the Administrative Agent and/or the Collateral Agent (acting in their sole discretion) and the Parent Borrower or any other relevant Credit Party shall be permitted to amend such provision or cure any ambiguity, defect or inconsistency and such amendment shall become effective without any further action or consent of any other party to any Credit Document, and (b) the Parent Borrower and the Administrative Agent and/or the Collateral Agent shall have the right to amend any Credit Document without notice to or consent of any other person to the extent described in the last paragraph of each of Sections 2.01(g) and (h) and in Section 1.08 or for the purpose of ensuring the enforceability of any local law pledge agreement entered into with respect to the Capital Stock of any Foreign Subsidiary.

#### **11.02 Notices; Effectiveness; Electronic Communication.**

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (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 telecopier or, with confirmation of receipt, electronic mail as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Parent Borrower, an Agent, an L/C Issuer or the Swingline Lender, to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified 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 telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet

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websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or L/C Issuer pursuant to Article II if such Lender or L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Parent Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent (a) 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, if available, return e-mail or other written acknowledgement) and (b) by facsimile shall be deemed received upon the sender's receipt of a notice of the successful transmission of such facsimile or upon the recipient's written acknowledgement of receipt of such facsimile, provided, in each case, that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE CREDIT PARTY MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE CREDIT PARTY MATERIALS OR THE PLATFORM. In no event shall any Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Credit Party, Lender, L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Credit Party's or any Agent's transmission of Credit Party Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to any Credit Party, Lender, L/C Issuer or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each of the Parent Borrower, each Agent, each L/C Issuer and the Swingline Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the Parent Borrower, each Agent, each L/C Issuer and the Swingline Lender. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender.

(e) Reliance by each Agent, L/C Issuer and Lender. Each Agent, L/C Issuer and Lender shall be entitled to rely and act upon any notices (including telephonic Loan Notices and Loan Notices for Swingline Loans) purportedly given by or on behalf of any Borrower even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrowers shall indemnify each Agent, L/C Issuer, Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of any Borrower. All telephonic notices to and other telephonic communications with any Agent may be recorded by such Agent, and each of the parties hereto hereby consents to such recording.

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### **11.03 No Waiver; Cumulative Remedies; Enforcement.**

No failure by any Lender, L/C Issuer, Swingline Lender or Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Credit Document, the authority to enforce rights and remedies hereunder and under the other Credit Documents against the Credit Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 9.02 for the benefit of all the Lenders and the L/C Issuers; provided, however, that the foregoing shall not prohibit (a) any Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as such Agent) hereunder and under the other Credit Documents, (b) any L/C Issuer or the Swingline Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swingline Lender, as the case may be) hereunder and under the other Credit Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.12), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Credit Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Credit Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 9.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.12, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

### **11.04 Expenses; Indemnity; Damage Waiver.**

(a) Costs and Expenses. The Borrowers shall pay (i) all reasonable documented out-of-pocket expenses incurred by each Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for any Agent), in connection with the administration, syndication and closing of the credit facilities provided for herein, the preparation, due diligence, negotiation, execution, delivery and administration of this Credit Agreement and the other Credit 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 out-of-pocket expenses incurred by any L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable out-of-pocket expenses incurred by any Agent, Lender or L/C Issuer (including the reasonable fees, charges and disbursements of any counsel to any Agent, Lender or L/C Issuer), and all fees and time charges for attorneys who may be employees of any Agent, Lender or L/C Issuer, in connection with the enforcement or protection of its rights (A) in connection with this Credit Agreement and the other Credit Documents, including its rights under this Section, or (B) in connection with the Loans made, B/As accepted or purchased or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans, B/As or Letters of Credit.

(b) Indemnification by the Borrowers. The Borrowers shall indemnify each Agent (and any sub-agents thereof), Lender and L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including any settlement costs and reasonable fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrowers or any other Credit Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Credit Agreement, any other Credit Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Agents (and any sub-agents thereof) and their Related Parties only, the administration of this Credit Agreement and the other Credit Documents, (ii) any Loan, B/A or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by an L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with

such demand do not strictly comply with the terms of such Letter of Credit), (iii) any Environmental Liability related to the Parent Borrower or any of its Subsidiaries, or (iv) any claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Parent Borrower or any other Credit Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of comparative, contributory or sole negligence of the Indemnitee; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Parent Borrower or any other Credit Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Credit Document, if the Parent Borrower or such Credit Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(c) Reimbursement by Lenders. To the extent that the Borrowers for any reason fails to indefeasibly pay any amount required under subsections (a) or (b) of this Section to be paid by them to any Agent (or any sub-agent thereof), L/C Issuer or Related Party of any of the foregoing, each Lender severally agrees to pay to such Agent (or any such sub-agent), L/C Issuer or Related Party, as the case may be (but, in each case, without affecting the Borrowers' obligations with respect thereto), such Lender's Aggregate Revolving Commitment Percentage or, in the case of L/C Obligations, L/C Commitment Percentage (as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against such Agent (or any such sub-agent), L/C Issuer in its capacity as such, or Related Party of any of the foregoing acting for such Agent (or any such sub-agent) or L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.11(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, the Borrowers shall not assert, and hereby waives, any claim against any Indemnitee, 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 Credit Agreement, any other Credit Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan, B/A or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Credit Agreement or the other Credit Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(f) Survival. The agreements in this Section shall survive the resignation of any Agent and L/C Issuer, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

#### **11.05 Payments Set Aside.**

To the extent that any payment by or on behalf of the Borrowers is made to any Agent, L/C Issuer or Lender, or any Agent, L/C Issuer or Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by any Agent, L/C Issuer or Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and L/C Issuer severally agrees to pay to such Agent on demand its applicable share (without duplication) of any amount so recovered from or repaid by such Agent plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in

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effect. The obligations of the Lenders and the L/C Issuers under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Credit Agreement.

#### **11.06 Successors and Assigns.**

(a) Successors and Assigns Generally. The provisions of this Credit Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Parent Borrower nor any other Credit Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (other than in connection with a transaction permitted by Section 8.04) and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Credit Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of each Agent, L/C Issuer and Lender) any legal or equitable right, remedy or claim under or by reason of this Credit Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one (1) or more Eligible Assignees all or a portion of its rights and obligations under this Credit Agreement (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and in Swingline Loans) at the time owing to it); provided that

(i) except in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund with respect to a Lender, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than (A) in the case of Revolving Commitments and Revolving Loans, \$5.0 million, and (B) in the case each of the Term Loans, \$1.0 million, unless, in each case, each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Parent Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed and provided that the Parent Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof), it being understood that assignments to a Lender or an Affiliate of a Lender or an Approved Fund shall not be subject to such minimum amounts;

(ii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Dollar Revolving Lender's rights and obligations under this Credit Agreement with respect to the Dollar Revolving Loans and the Dollar Revolving Commitment assigned, except that this clause (ii) shall not apply to rights in respect of Swingline Loans;

(iii) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Limited Currency Revolving Lender's rights and obligations under this Credit Agreement with respect to the Limited Currency Revolving Loans and the Limited Currency Revolving Commitment assigned;

(iv) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Multicurrency Revolving Lender's rights and obligations under this Credit Agreement with respect to the Multicurrency Revolving Loans and the Multicurrency Revolving Commitment assigned;



(v) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Term Loan Lender's rights and obligations under this Credit Agreement with respect to the Term Loans or Term Loan Commitment assigned

(vi) any assignment of (A) a Dollar Revolving Commitment and Dollar Revolving Loans must be approved by the Administrative Agent, each Dollar L/C Issuer and the Swingline Lender and, so long as no Event of Default has occurred and is continuing, the Parent Borrower (each such approval not to be unreasonably withheld or delayed and provided that the Parent Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof); provided that the Parent Borrower's approval shall not be required if the proposed assignee is a Lender, an Affiliate of a Lender or an Approved Fund; (B) a Limited Currency Revolving Commitment and Limited Currency Revolving Loans must be approved by the Administrative Agent and each Multicurrency L/C Issuer and, so long as no Event of Default has occurred and is continuing, the Parent Borrower (each such approval not to be unreasonably withheld or delayed and provided that the Parent Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof); provided that the Parent Borrower's approval shall not be required if the proposed assignee is a Lender, an Affiliate of a Lender or an Approved Fund; (C) a Multicurrency Revolving Commitment and Multicurrency Revolving Loans must be approved by the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Parent Borrower (each such approval not to be unreasonably withheld or delayed and provided that the Parent Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof); provided that the Parent Borrower's approval shall not be required if the proposed assignee is a Lender, an Affiliate of a Lender or an Approved Fund; and (D) the Term Loans must be approved by the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Parent Borrower (each such approval not to be unreasonably withheld or delayed and provided that the Parent Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof); provided that no approval shall be required if the proposed assignee is a Lender, an Affiliate of a Lender or an Approved Fund; and

(vii) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$3,500, and the Eligible Assignee, if it shall not be a Lender, shall (A) deliver to the Administrative Agent an Administrative Questionnaire and (B) deliver to the applicable Borrower and the Applicable Agent the forms required to be delivered pursuant to Section 3.01(e).

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Credit Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Credit 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 Credit Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Credit Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 11.04 (subject to the requirements and limitations of such Sections) with respect to facts and circumstances occurring prior to the effective date of such assignment. Upon request, the applicable Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Credit Agreement that does not comply with this subsection shall be treated for purposes of this Credit Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrowers, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and related interest amounts) of the Loans, acceptance and purchase of any B/As and L/C Obligations

and the interest thereon owing and paid to, each Lender pursuant to the terms hereof from time to time (the “Register”). The entries in the Register shall be conclusive absent manifest error, and the Borrowers, the Agents 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 Credit Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by each of the Parent Borrower, the Agents and the L/C Issuers at any reasonable time and from time to time upon reasonable prior notice. In addition, at any time that a request for a consent for a material or substantive change to the Credit Documents is pending, any Lender may request and receive from the Administrative Agent a copy of the Register.

Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Eligible Assignee, the Eligible Assignee’s completed Administrative Questionnaire (unless the Eligible 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 Eligible Assignee shall have failed to make any payment required to be made by it pursuant to Section 2.02(b), 2.03(c), 2.04(b), 2.11(b) or 11.04(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 Credit Agreement unless it has been recorded in the Register as provided in this paragraph.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrowers or the Administrative Agent, sell participations to any Person (other than a natural person or the Parent Borrower or any of the Parent Borrower’s Affiliates or Subsidiaries) (each, a “Participant”) in all or a portion of such Lender’s rights and/or obligations under this Credit Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender’s participations in L/C Obligations and/or Swingline Loans) owing to it); provided that (i) such Lender’s obligations under this Credit Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Agents, the Lenders and the L/C Issuers shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Credit Agreement. Each Lender, acting solely for this purpose as a non-fiduciary agent of the Borrowers, shall maintain a register for the recordation of the names and addresses of such Participants and the rights, interests or obligations of such Participants in any Obligation, in any Commitment and in any right to receive any principal, interest and other payments thereunder (the “Participant Register”). 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 Credit Agreement notwithstanding any notice to the contrary.

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 Credit Agreement and to approve any amendment, modification or waiver of any provision of this Credit Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in Section 11.01(a)(iv) or (v) or, to the extent the Participant is affected thereby, Section 11.01(b)(i), (ii) or (iii). Subject to subsection (e) of this Section, each Participant (i) shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 (subject to the requirements and limitations of such Sections) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section and (ii) shall be subject to Sections 3.06 and 11.13(a) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.12 as though it were a Lender.

(e) Limitation upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.04 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Parent Borrower’s prior written consent to such sale and such greater payment, not to be unreasonably withheld or delayed (it being agreed, without limitation, that it will be reasonable for the Parent Borrower to withhold consent if giving consent would result in increased indemnification obligations at the time the participation takes effect or would be reasonably certain to result in increased indemnification obligations thereafter as a result of a Change in Law announced

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prior to the time the participation takes effect). For the avoidance of doubt, a Participant entitled to benefits under Section 3.01, 3.04 or 3.05 shall be subject to all of the limitations and requirements of such Sections as if it were a Lender (including, in the case of Section 3.01, all of the limitations in the definition of Excluded Taxes).

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Credit Agreement (including under its Note(s), if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(g) Electronic Execution of Assignments. The words “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(h) Special Purpose Funding Vehicles. Notwithstanding anything to the contrary contained herein, any Lender (a “Granting Lender”) may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Parent Borrower (an “SPC”) the option to provide all or any part of any Loan that such Granting Lender would otherwise be obligated to make pursuant to this Credit Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Loan, and (ii) if a SPC elects not to exercise such option or otherwise fails to make all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof or, if it fails to do so, to make such payment to the Applicable Agent as is required under Section 2.11(b)(i). Each party hereto hereby agrees that (i) neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Borrowers under this Credit Agreement (including its obligations under Section 3.04), (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Credit Agreement for which a Lender would be liable, and (iii) the Granting Lender shall for all purposes, including the approval of any amendment, waiver or other modification of any provision of any Credit Document, remain the lender of record hereunder. The making of a Loan by a SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Credit Agreement) that, prior to the date that is one (1) year and one (1) day after the payment in full of all outstanding commercial paper or other senior debt of any SPC, it will not institute against, or join any other Person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceeding under the laws of the United States or any State thereof. Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of the Parent Borrower and the Administrative Agent and with the payment of a processing fee in the amount of \$2,500, assign all or any portion of its right to receive payment with respect to any Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Loans to any rating agency, commercial paper dealer or provider of any surety or guarantee or credit or liquidity enhancement to such SPC. Each SPC (i) shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 (subject to the requirements and limitations of such Sections) to the same extent as if it were a Granting Lender and had acquired its interest by assignment pursuant to Section 11.06(b) and (ii) shall be subject to Sections 3.06 and 11.13(a) to the same extent as if it were a Granting Lender and had acquired its interest by assignment pursuant to Section 11.06(b). A SPC shall not be entitled to receive any greater payment under Section 3.01, 3.04 or 3.05 than the applicable Granting Lender would have been entitled to receive with respect to the interest granted to such SPC unless the grant of the interest is made with the Parent Borrower’s prior written consent to such grant and such greater payment, not to be unreasonably withheld or delayed (it being agreed, without limitation, that it will be reasonable for the Parent Borrower to withhold consent if giving consent would result in increased indemnification obligations at the time the grant to the SPC takes effect or would be reasonably certain to result in increased indemnification obligations thereafter as a result of a Change in Law announced prior to the time the grant to the SPC takes effect). For the avoidance of doubt, an SPC entitled to benefits under Section 3.01, 3.04 or 3.05 shall be subject to all of the

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limitations and requirements of such Sections as if it were a Granting Lender (including, in the case of Section 3.01, all of the limitations in the definition of Excluded Taxes).

(i) Resignation as L/C Issuer or Swingline Lender After Assignment. Notwithstanding anything to the contrary contained herein, if at any time any L/C Issuer or Swingline Lender assigns all of its Commitment and Loans pursuant to subsection (b) above, such L/C Issuer or Swingline Lender may, (i) upon thirty (30) days' notice to the Parent Borrower and the Lenders, resign as L/C Issuer and/or (ii) upon thirty (30) days' notice to the Parent Borrower, resign as Swingline Lender. In the event of any such resignation as L/C Issuer or Swingline Lender, the Parent Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swingline Lender hereunder; provided, however, that no failure by the Parent Borrower to appoint any such successor shall affect the resignation of such L/C Issuer or Swingline Lender as L/C Issuer or Swingline Lender, as the case may be. If any L/C Issuer resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of an L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). If any Swingline Lender resigns as Swingline Lender, it shall retain all the rights of the Swingline Lender provided for hereunder with respect to Swingline Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swingline Loans pursuant to Section 2.04(b). Upon the appointment of a successor L/C Issuer and/or Swingline Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swingline Lender, as the case may be, and (b) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

#### **11.07 Treatment of Certain Information; Confidentiality.**

Each of the Agents, Lenders and L/C Issuers agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, trustees, advisors and representatives (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 purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Credit Document or any action or proceeding relating to this Credit Agreement or any other Credit 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 Credit Agreement, (ii) any actual or prospective counterparty (or advisors) to any swap, derivative transaction relating to the Borrowers and their obligations, (g) subject to each such Person being informed of the confidential nature of the Information and to their agreement to keep such Information confidential, to (i) an investor or prospective investor in securities issued by an Approved Fund that also agrees that Information shall be used solely for the purpose of evaluating an investment in such securities issued by the Approved Fund, (ii) a trustee, collateral manager, servicer, backup servicer, noteholder or secured party in securities issued by an Approved Fund in connection with the administration, servicing and reporting on the assets serving as collateral for securities issued by an Approved Fund, or (iii) a nationally recognized rating agency that requires access to information regarding the Credit Parties, the Loans and Credit Documents in connection with ratings issued in respect of securities issued by an Approved Fund, (h) with the consent of the Parent Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to any Agent, Lender, L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Parent Borrower.

For purposes of this Section, "Information" means all information received from the Parent Borrower or any Subsidiary relating to the Parent Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to the any Agent, Lender or L/C Issuer on a nonconfidential basis prior to disclosure by the Parent Borrower or any Subsidiary. In the case of Information received from the Parent Borrower or

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any Subsidiary after the date hereof, such Information is clearly identified at the time of delivery. 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 of the Agents, Lenders and L/C Issuers acknowledges that (a) the Information may include material non-public information concerning the Parent Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including federal and state securities Laws.

#### **11.08 Right of Setoff.**

If an Event of Default shall have occurred and be continuing, each Lender, L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, L/C Issuer or any such Affiliate to or for the credit or the account of the Parent Borrower or any other Credit Party against any and all of the obligations of such Parent Borrower or such Credit Party now or hereafter existing under this Credit Agreement or any other Credit Document to such Lender or L/C Issuer, irrespective of whether or not such Lender or L/C Issuer shall have made any demand under this Credit Agreement or any other Credit Document and although such obligations of such Parent Borrower or such Credit Party may be contingent or unmatured or are owed to a branch or office of such Lender or L/C Issuer different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender, L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, L/C Issuer or their respective Affiliates may have. Each Lender and L/C Issuer agrees to notify the Parent Borrower and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

#### **11.09 Interest Rate Limitation.**

Notwithstanding anything to the contrary contained in any Credit Document, the interest paid or agreed to be paid under the Credit Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If any Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the applicable Borrower. In determining whether the interest contracted for, charged, or received by an Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

#### **11.10 Counterparts; Integration; Effectiveness.**

This Credit Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Credit Agreement and the other Credit Documents 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 5.01, this Credit Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Credit Agreement by telecopy or other electronic imaging means shall be as effective as delivery of a manually executed counterpart of this Credit Agreement.

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### **11.11 Survival of Representations and Warranties.**

All representations and warranties made hereunder and in any other Credit Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by each Agent and Lender, regardless of any investigation made by any Agent or Lender or on their behalf and notwithstanding that any Agent or Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

### **11.12 Severability.**

If any provision of this Credit Agreement or the other Credit Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Credit Agreement and the other Credit Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

### **11.13 Replacement of Lenders.**

(a) If any Lender requests compensation under Section 3.04, or if any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any other circumstance exists hereunder that gives the Parent Borrower the right to replace a Lender as a party hereto, then the Parent Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights and obligations under this Credit Agreement and the related Credit Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(i) the Parent Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 11.06(b);

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and L/C Advances, accrued interest thereon, amounts owing to it in respect of B/As, accrued fees and all other amounts payable to it hereunder and under the other Credit Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Parent Borrower (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with applicable Laws; and

(v) such assignment is recorded in the Register.

(b) If, in connection with any proposed amendment, change, waiver, discharge or termination of any of the provisions of this Credit Agreement or any other Credit Document as contemplated by Section 11.01, the consent of the Required Lenders (or Required Approved Currency Revolving Lenders, Required Dollar Revolving Lenders, Required Term A Lenders or Required Term B Lenders, as the case may be) is obtained but the consent of one or more of such other Lenders whose consent is required is not obtained (any such Lender whose consent is not obtained as described in this clause (b) being referred to as a “Non-Consenting Lender”), then, at the Borrower’s request, any Eligible Assignee reasonably acceptable to the Administrative Agent shall have the right to purchase

from such Non-Consenting Lender, and such Non-Consenting Lender agrees that it shall, upon the Administrative Agent's request, sell and assign to such Eligible Assignee, all of the Commitments and Loans of such Non-Consenting Lender for an amount equal to the principal balance of all Loans and L/C Advances held by the Non-Consenting Lender and all accrued and unpaid interest and fees with respect thereto and all other amounts payable to it hereunder through the date of sale and payment by the Borrowers to the Administrative Agent of the assignment fee under Section 11.06(b); provided, however, that such purchase and sale shall not be effective until (x) the Administrative Agent shall have received from such Eligible Assignee an agreement in form and substance satisfactory to the Administrative Agent and the Parent Borrower whereby such Eligible Assignee shall agree to be bound by the terms hereof and (y) such Non-Consenting Lender shall have received payments of all Loans held by it and all accrued and unpaid interest and fees with respect thereto and all other amounts payable to it hereunder through the date of the sale. Each Lender agrees that, if it becomes a Non-Consenting Lender, it shall execute and deliver to the Administrative Agent an Assignment and Assumption to evidence such sale and purchase and shall deliver to the Administrative Agent any Note (if the assigning Lender's Loans are evidenced by a Note) subject to such Assignment and Assumption; provided, however, that the failure of any Non-Consenting Lender to execute an Assignment and Assumption shall not render such sale and purchase (and the corresponding assignment) invalid.

A Lender that has assigned its interests, rights and obligations under this Credit Agreement and the related Credit Documents pursuant to this Section 11.13 shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 (subject to the requirements and limitations of such Sections) with respect to facts and circumstances occurring prior to the effective date of such assignment.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Parent Borrower to require such assignment and delegation cease to apply.

**11.14 Governing Law; Jurisdiction; Etc.**

(a) GOVERNING LAW. THIS CREDIT AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN AND OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF SUCH STATE AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS CREDIT AGREEMENT OR ANY OTHER CREDIT DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL 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 CREDIT AGREEMENT OR IN ANY OTHER CREDIT DOCUMENT SHALL AFFECT ANY RIGHT THAT ANY PARTY HERETO MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS CREDIT AGREEMENT OR ANY OTHER CREDIT DOCUMENT AGAINST ANY OTHER PARTY HERETO OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS CREDIT AGREEMENT OR ANY OTHER CREDIT 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 APPLICABLE

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LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS CREDIT AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

**11.15 Waiver of Jury Trial.**

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS CREDIT AGREEMENT OR ANY OTHER CREDIT DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS CREDIT AGREEMENT AND THE OTHER CREDIT DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

**11.16 USA PATRIOT Act Notice.**

Each Lender that is subject to the Act (as hereinafter defined) and the Agents (for itself and not on behalf of any Lender) hereby notifies the Borrowers that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Borrowers, which information includes the name and address of the Borrowers and other information that will allow such Lender or Agent, as applicable, to identify such Borrower in accordance with the Patriot Act.

**11.17 Designation as Senior Debt.**

All Obligations shall be "Designated Senior Indebtedness" (or such similar defined term) for purposes of all documentation governing Subordinated Debt, to the extent such concept exists in the documentation governing such Subordinated Debt.

**11.18 Limitation on Foreign Credit Party Obligations.**

Notwithstanding anything to the contrary herein, no provision of this Agreement shall render any Foreign Credit Party liable for the Obligations of any Domestic Credit Party.

**11.19 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 Credit Document), the Parent Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Credit Agreement provided by the Agents and the Lead Arrangers are arm's-length commercial transactions between the Parent Borrower and its Affiliates, on the one hand, and the Agents and the other Lead Arrangers, on the other hand, (B) the Parent Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Parent Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents; (ii) (A) each Agent and Lead Arranger 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 Parent Borrower or any of its Affiliates, or any other Person and (B) no Agent or Lead Arranger has any obligation to the Parent Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations



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expressly set forth herein and in the other Credit Documents; and (iii) the Agents and the Lead Arrangers and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Parent Borrower and its Affiliates, and no Agent or any Lead Arranger has any obligation to disclose any of such interests to the Parent Borrower or its Affiliates. To the fullest extent permitted by law, the Borrowers hereby waive and release any claims that it may have against any Agent or Lead Arranger with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

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

**PARENT BORROWER:**

LIVE NATION ENTERTAINMENT, INC

By: /s/ Michael Rowles  
Name: Michael Rowles  
Title: Executive Vice President, General Counsel and Secretary

**DOMESTIC GUARANTORS:**

LN ACQUISITION HOLDCO LLC

By: LIVE NATION ENTERTAINMENT, INC.,  
Its sole member

By: /s/ Michael Rowles  
Name: Michael Rowles  
Title: Executive Vice President, General Counsel and Secretary

CONNECTICUT PERFORMING ARTS PARTNERS

By: NOC, INC., a general partner

By: /s/ Kathy Willard  
Name: Kathy Willard  
Title: Executive Vice President

By: CONNECTICUT AMPHITHEATER  
DEVELOPMENT CORPORATION, a general partner

By: /s/ Kathy Willard  
Name: Kathy Willard  
Title: Executive Vice President

*[Credit Agreement Signature Page]*

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BILL GRAHAM ENTERPRISES, INC.  
CELLAR DOOR VENUES, INC.  
COBB'S COMEDY INC.  
CONNECTICUT AMPHITHEATER  
DEVELOPMENT CORPORATION  
CONNECTICUT PERFORMING ARTS, INC.  
EVENING STAR PRODUCTIONS, INC.  
EVENTINVENTORY.COM, INC.  
EVENT MERCHANDISING INC.  
FILLMORE THEATRICAL SERVICES  
FLMG HOLDINGS CORP.  
HOB MARINA CITY, INC.  
IAC PARTNER MARKETING, INC.  
LIVE NATION HOLDCO # 1, INC.  
LIVE NATION HOLDCO #2, INC.  
LIVE NATION MARKETING, INC.  
LIVE NATION MTOURS (USA), INC.  
LIVE NATION TOURING (USA), INC.  
LIVE NATION UTOURS (USA), INC.  
LIVE NATION WORLDWIDE, INC,  
MICROFLEX 2001 LLC  
NETTICKETS.COM, INC.  
NOC, INC.  
OPENSEATS, INC.  
PREMIUM INVENTORY, INC.  
SHORELINE AMPHITHEATRE, LTD.  
SHOW ME TICKETS, LLC  
THE V.I.P. TOUR COMPANY  
TICKETMASTER ADVANCE TICKETS, L.L.C.  
TICKETMASTER CALIFORNIA GIFT  
CERTIFICATES L.L.C.  
TICKETMASTER CHINA VENTURES, L.L.C.  
TICKETMASTER EDCS LLC  
TICKETMASTER FLORIDA GIFT CERTIFICATES  
L.L.C.  
TICKETMASTER GEORGIA GIFT CERTIFICATES  
L.L.C.  
TICKETMASTER-INDIANA, L.L.C.  
TICKETMASTER INDIANA HOLDINGS CORP.  
TICKETMASTER L.L.C.  
TICKETMASTER MULTIMEDIA HOLDINGS LLC  
TICKETMASTER NEW VENTURES HOLDINGS,  
INC.  
TICKETMASTER WEST VIRGINIA GIFT  
CERTIFICATES LLC  
TICKETSNOW.COM, INC.  
TICKETWEB, LLC  
TM VISTA INC.  
TNA TOUR II (USA) INC.  
TNOW ENTERTAINMENT GROUP, INC.

By: /s/ Kathy Willard

Name: Kathy Willard

Title: Executive Vice President

*[Credit Agreement Signature Page]*

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ELECTRIC FACTORY CONCERTS, INC.  
HOB BOARDWALK, INC.  
HOB CHICAGO, INC.  
HOB ENTERTAINMENT, INC.  
HOUSE OF BLUES ANAHEIM RESTAURANT  
CORP.  
HOUSE OF BLUES CLEVELAND, LLC  
HOUSE OF BLUES CONCERTS, INC.  
HOUSE OF BLUES DALLAS RESTAURANT CORP.  
HOUSE OF BLUES HOUSTON RESTAURANT  
CORP.  
HOUSE OF BLUES LAS VEGAS RESTAURANT  
CORP.  
HOUSE OF BLUES LOS ANGELES RESTAURANT  
CORP.  
HOUSE OF BLUES MYRTLE BEACH  
RESTAURANT CORP.  
HOUSE OF BLUES NEW ORLEANS  
RESTAURANT CORP.  
HOUSE OF BLUES ORLANDO RESTAURANT  
CORP.  
HOUSE OF BLUES RESTAURANT HOLDING  
CORP.  
HOUSE OF BLUES SAN DIEGO RESTAURANT  
CORP.  
LIVE NATION CHICAGO, INC.  
LIVE NATION CONCERTS, INC

By: /s/ Michael G. Rowles

Name: Michael G. Rowles

Title: President

HOUSE OF BLUES SAN DIEGO, LLC  
LIVE NATION MERCHANDISE, IT  
LIVE NATION STUDIOS, LLC  
LIVE NATION TICKETING, LLC  
LIVE NATION VENTURES, INC.

By: /s/ Michael G. Rowles

Name: Michael G. Rowles

Title: General Counsel and Secretarial

*[Credit Agreement Signature Page]*

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LIVE NATION BOGART, LLC  
LIVE NATION - HAYMON VENTURES, LLC  
MICHIGAN LICENSES, LLC  
MUSICTODAY, LLC  
WILTERN RENAISSANCE LLC

By: LIVE NATION WORLDWIDE, INC.,  
its sole member

By: /s/ Kathy Willard  
Name: Kathy Willard  
Title: Executive Vice President

AZOFF PROMOTIONS LLC  
ENTERTAINERS ART GALLERY LLC  
FRONT LINE BCC LLC  
FRONT LINE MANAGEMENT GROUP, INC.  
ILAA, INC.  
ILA MANAGEMENT, INC.  
MORRIS ARTISTS MANAGEMENT LLC

By: /s/ Colin Hodgson  
Name: Colin Hodgson  
Title: Chief Financial Officer

FEA MERCHANDISE INC.  
SPALDING ENTERTAINMENT, LLC

By: /s/ Colin Hodgson  
Name: Colin Hodgson  
Title: Vice President, Secretary and Treasurer

*[Credit Agreement Signature Page]*

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**JPMORGAN CHASE BANK, N.A.**, as  
Administrative Agent, Collateral Agent,  
Swingline Lender, an L/C Issuer and a Lender

By: /s/ Tina Ruyter

Name: Tina Ruyter

Title: Executive Director

*[Credit Agreement Signature Page]*

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**JPMORGAN CHASE BANK, N.A.,**  
**TORONTO BRANCH,** as Canadian Agent

By: /s/ Tina Ruyter

Name: Tina Ruyter

Title: Executive Director

*[Credit Agreement Signature Page]*

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**J.P. MORGAN EUROPE LIMITED, as**  
London Agent

By. /s/ Belinda Lucas

Name: Belinda Lucas

Title: Associate

*[Credit Agreement Signature Page]*



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**GOLDMAN SACHS LENDING PARTNERS LLC,**  
as a Lender

By: /s/ Sean Gillricle  
Authorized Signatory

*[Signature Page-for Live Nation Credit Agreement dated May \_\_, 2010]*

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**DEUTSCHE BANK AG, NEW YORK  
BRANCH, as a Lender**

By: /s/ Susan LeFevre  
Name: Susan LeFevre  
Title: Managing Director

By: /s/ Paul O'Leary  
Name: Paul O'Leary  
Title: Director

**DEUTSCHE BANK AG, NEW YORK  
BRANCH, as a L/C Issuer**

By: /s/ Susan LeFevre  
Name: Susan LeFevre  
Title: Managing Director

By: /s/ Paul O'Leary  
Name: Paul O'Leary  
Title: Director

*[Credit Agreement Signature Page]*

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**BANK OF AMERICA, N.A.**, as a Multicurrency  
L/C Issuer and a Lender

By: /s/ Jay D. Marquis

Name: Jay D. Marquis

Title: Senior Vice President

*[Credit Agreement Signature Page]*

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**THE BANK OF NOVA SCOTIA**, as a  
Lender

By: /s/ BRENDA S. INSULL

Name: BRENDA S. INSULL

Title: AUTHORIZED SIGNATORY

*[Credit Agreement Signature Page]*

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THE ROYAL BANK OF SCOTLAND,  
PLC, as a Lender

By: /s/ VINCENT FITZGERALD

Name: VINCENT FITZGERALD

Title: MANAGING DIRECTOR

*[Credit Agreement Signature Page]*

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**WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as a Lender**

By: /s/ Christine P. Ball

Name: Christine P. Ball

Title: Senior Vice President

*[Credit Agreement Signature Page]*

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**HSBC BANK USA, NATIONAL  
ASSOCIATION, as a Lender**

By: /s/ Steven T. Brennan

Name: Steven T. Brennan

Title: Vice President SC 15219

*[Credit Agreement Signature Page]*

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**MORGAN STANLEY BANK, N.A.,** as a  
Lender

By: /s/ Sherrese Clarke

Name: Sherrese Clarke

Title: Authorized Signatory

*[Credit Agreement Signature Page]*



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**UNION BANK, N.A.,** as a Lender

By: /s/ Cary Moore

Name: Cary Moore

Title: Senior Vice President

*[Credit Agreement Signature Page]*

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**U.S. BANK NATIONAL ASSOCIATION, as  
a Lender**

By: /s/ Thomas G. Gunder

Name: Thomas G. Gunder

Title: SVP

*[Credit Agreement Signature Page]*

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**STATE BANK OF INDIA**, as a Lender

By: /s/ Prabodh Parikh

Name: Prabodh Parikh

Title: Vice-President & Head (Credit)

*[Credit Agreement Signature Page]*

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**SCHEDULE 1.01A**

**Designated Sale and Leaseback Assets**

1. Chestnut Theatre (formerly known as the Boyd Theatre) is a theatrical venue with an estimated seating capacity of 2,340 owned by Boyd Development, LP located at 1908-18 Chestnut Street, Philadelphia, Pennsylvania. The venue is not in operation.
2. St. Andrews Hall is a small-sized music venue with an estimated seating capacity of 820 owned by Ritual, Inc. located at 431 East Congress Street, Detroit, Michigan.
3. Sleep Train Amphitheatre is an outdoor amphitheater located at 2677 Forty Mile Road, Wheatland, California. It has an estimated seating capacity of 18,500 with 8,000 reserved seats and 10,500 unreserved lawn seats.
4. Germain Amphitheatre is an outdoor amphitheater located in Columbus, Ohio. It has an estimated seating capacity of 20,000 people.

**SCHEDULE 1.01B**

**Existing Letters of Credit**

<b>Obligor/Applicant</b>	<b>Beneficiary</b>	<b>Issuer</b>	<b>Principal Amount</b>	<b>Date of Issuance</b>	<b>Maturity Date</b>
HOB Entertainment, Inc.	The Travelers Indemnity Company	Bank of America, N.A.	\$ 160,000	10/17/03	6/23/10
Live Nation Worldwide, Inc. (f/k/a SFX Entertainment, Inc.)	Walworth Properties	Bank of America, N.A.	\$ 600,000	11/14/01	6/25/10
Live Nation Worldwide, Inc. (f/k/a SFX Entertainment, Inc.)	People of the State of New York, Office of Parks and Recreation	Bank of America, N.A.	\$ 1,500,000	8/7/01	6/25/10
House of Blues Concerts, Inc.	iStar Blues LLC	Bank of America, N.A.	\$ 2,600,000	10/10/03	6/23/10
Live Nation Holdco #1 (as successor to New York Theater Company)	The New 42nd Street, Inc.	Bank of America, N.A.	\$ 500,000	9/3/02	8/15/10
Live Nation Worldwide, Inc. (d/b/a Clear Channel Entertainment)	J.P. Morgan Chase Bank	Bank of America, N.A.	\$ 672,500	9/23/04	9/23/10
Live Nation Worldwide, Inc.	Royal & Sun Alliance Insurance PLC	Bank of America, N.A.	GPB425,000.00	12/12/07	10/31/10
Live Nation Entertainment, Inc. (f/k/a Live Nation, Inc.)	ACE American Insurance Company	Bank of America, N.A.	\$ 936,365	11/30/05	11/30/10
Live Nation Entertainment, Inc. (f/k/a Live Nation, Inc.)	ACE American Insurance Company	Deutsche Bank	\$ 8,000,000	3/24/10	11/30/10
Live Nation Worldwide, Inc. (f/k/a SFX Entertainment, Inc.)	Wells Fargo Bank, National Association, as Trustee	Bank of America, N.A.	\$ 1,600,000	12/5/05	12/5/10
Live Nation Worldwide, Inc. (f/k/a SFX Entertainment, Inc.)	City of Minneapolis, Minnesota	Bank of America, N.A.	\$ 750,000.00	12/5/05	12/5/10
Live Nation Worldwide, Inc. (f/k/a SFX Entertainment, Inc.)	City of Minneapolis, Minnesota	Bank of America, N.A.	\$ 10,500,000	12/5/05	12/5/10
Live Nation Worldwide, Inc. (as successor to JJJ Amphitheatre Limited Partnership)	Board of Supervisors of Prince William County	Bank of America, N.A.	\$ 60,765	1/13/05	1/11/11
Live Nation Worldwide, Inc. (as successor to JJJ Amphitheatre Limited Partnership)	Board of Supervisors of Prince William County	Bank of America, N.A.	\$ 140,546	1/13/05	1/11/11

<u>Obligor/Applicant</u>	<u>Beneficiary</u>	<u>Issuer</u>	<u>Principal Amount</u>	<u>Date of Issuance</u>	<u>Maturity Date</u>
HOB Entertainment, Inc.	The Travelers Indemnity Company	Bank of America, N.A.	\$ 350,000	4/15/05	3/1/11
HOB Entertainment, Inc.	The Travelers Indemnity Company	Bank of America, N.A.	\$ 510,000	3/17/06	3/1/11
Live Nation Worldwide, Inc.	City & County of Denver – Red Rocks	Bank of America, N.A.	\$ 500,000	4/10/03	1/14/11
HOB Entertainment, Inc.	The Travelers Indemnity Company	Bank of America, N.A.	\$ 350,000	4/15/05	3/1/11
Live Nation Worldwide, Inc.	Transamerica Realty Services, LLC	Bank of America, N.A.	\$ 200,000	12/21/07	12/17/10
Live Nation Worldwide, Inc. (as successor to LN Hollywood, Inc.)	CFRI-NCA Palladium Venture, LLC.	Deutsche Bank	\$2,000,000	4/7/10	4/1/2011
Live Nation Entertainment, Inc. (f/k/a Live Nation, Inc.)	ACE American Insurance Company	JPMorgan Chase Bank, N.A.	\$6,960,000	1/2/07	11/1/10
Live Nation Entertainment, Inc. (f/k/a Live Nation, Inc.)	ACE American Insurance Company	JPMorgan Chase Bank, N.A.	\$1,644,300	1/2/07	11/1/10
Live Nation Entertainment, Inc. (f/k/a Live Nation, Inc.)	National Union Fire	Bank of America, N.A.	\$2,070,000	12/11/09	12/11/10

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**SCHEDULE 1.01C**

**Closing Date Guarantors**

<b><u>Guarantor</u></b>	<b><u>Jurisdiction of Formation/Organization</u></b>
Azoff Promotions LLC	Delaware
Bill Graham Enterprises, Inc.	California
Cellar Door Venues, Inc.	Florida
Cobb's Comedy Inc.	California
Connecticut Amphitheater Development Corporation	Connecticut
Connecticut Performing Arts, Inc.	Connecticut
Connecticut Performing Arts Partners	Connecticut
Electric Factory Concerts, Inc.	Pennsylvania
Entertainers Art Gallery LLC	Delaware
Evening Star Productions, Inc.	Arizona
EventInventory.com, Inc.	Illinois
Event Merchandising, Inc.	California
FEA Merchandise Inc.	Delaware
FLMG Holdings Corp	Delaware
Fillmore Theatrical Services	California
Front Line BCC LLC	Delaware
Front Line Management Group, Inc.	Delaware
HOB Boardwalk, Inc.	Delaware
HOB Chicago, Inc.	Delaware
HOB Entertainment, Inc.	Delaware
HOB Marina City, Inc.	Delaware
House of Blues Anaheim Restaurant Corp.	Delaware
House of Blues Cleveland, LLC	Delaware
House of Blues Concerts, Inc.	California
House of Blues Dallas Restaurant Corp.	Delaware
House of Blues Houston Restaurant Corp.	Delaware
House of Blues Las Vegas Restaurant Corp.	Delaware
House of Blues Los Angeles Restaurant Corp.	Delaware
House of Blues Myrtle Beach Restaurant Corp.	Delaware

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House of Blues New Orleans Restaurant Corp.	Delaware
House of Blues Orlando Restaurant Corp.	Delaware
House of Blues Restaurant Holding Corp.	Delaware
House of Blues San Diego, LLC	Delaware
House of Blues San Diego Restaurant Corp.	Delaware
IAC Partner Marketing, Inc.	Delaware
ILAA, Inc.	California
ILA Management, Inc.	California
Live Nation Bogart, LLC	Delaware
Live Nation Chicago, Inc.	Delaware
Live Nation Concerts, Inc.	Delaware
Live Nation – Haymon Ventures, LLC	Delaware
Live Nation Holdco #1, Inc.	Delaware
Live Nation Holdco #2, Inc.	Delaware
Live Nation Marketing, Inc.	Delaware
Live Nation Merchandise, Inc.	Delaware
Live Nation MTours (USA), Inc.	Delaware
Live Nation Studios, LLC	Delaware
Live Nation Ticketing, LLC	Delaware
Live Nation Touring (USA), Inc.	Delaware
Live Nation UTours (USA), Inc.	Delaware
Live Nation Ventures, Inc.	Delaware
Live Nation Worldwide, Inc.	Delaware
LN Acquisition Holdco LLC	Delaware
Michigan Licenses, LLC	Delaware
Microflex 2001 LLC	Delaware
Morris Artists Management LLC	Delaware
Musictoday, LLC	Virginia
NetTickets.com, Inc.	Delaware
NOC, Inc.	Connecticut
OpenSeats, Inc.	Illinois
Premium Inventory, Inc.	Illinois
Shoreline Amphitheatre, Ltd.	California



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Show Me Tickets, LLC	Illinois
Spalding Entertainment, LLC	Tennessee
The V.I.P. Tour Company	Delaware
Ticketmaster Advance Tickets, L.L.C.	Colorado
Ticketmaster California Gift Certificates L.L.C.	California
Ticketmaster China Ventures, L.L.C.	Delaware
Ticketmaster EDCS LLC	Delaware
Ticketmaster Florida Gift Certificates L.L.C.	Florida
Ticketmaster Georgia Gift Certificates L.L.C.	Georgia
Ticketmaster-Indiana, L.L.C.	Delaware
Ticketmaster Indiana Holdings Corp.	Indiana
Ticketmaster L.L.C.	Virginia
Ticketmaster Multimedia Holdings LLC	Delaware
Ticketmaster New Ventures Holdings, Inc.	Delaware
Ticketmaster West Virginia Gift Certificates L.L.C.	West Virginia
TicketsNow.com, Inc.	Illinois
TicketWeb LLC	Delaware
TNA Tour II (USA) Inc.	Delaware
TM Vista Inc.	Virginia
TNOW Entertainment Group, Inc.	Illinois
Wiltern Renaissance LLC	Delaware

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**SCHEDULE 1.01D**

**HOBE Excluded Assets**

1. The Licensing Agreement dated February 18, 1992 among Isaac B. Tigrett, Daniel E. Aykroyd and Judith Belushi Pisano, as assigned to House of Blues Brand Corp. and as amended or supplemented from time to time, and any sublicenses pertaining to the trademarks owned by Daniel E. Aykroyd and Judith Belushi Pisano.
2. All leases relating to equipment supplied by Micros Systems Inc.
3. Equity Interests in the following entities at any time owned by HOB Entertainment, Inc.:
  - (i) HOB Chicago, Inc.
  - (ii) HOB Marina City, Inc.
  - (iii) House of Blues Orlando Restaurant Corp.

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**SCHEDULE 1.01E**

**Certain Capital Stock**

<b><u>Issuer</u></b>	<b><u>Capital Stock</u></b>
A.P.E. Radio, LLC	Membership Interest
AA Music Management, LLC	Membership Interest
B.A.D. Management LLC	Membership Interest
Bamboozle Festival, LLC	Membership Interest
Bee & El LLC	Membership Interest
Bee & El Marketing Services LLC	Membership Interest
Boom Management, LLC	Membership Interest
Broadway China Ventures, LLC	JV Agreement
Beijing Gehua Ticketmaster Ticketing Co. Ltd.	JV Agreement
Career Artist Management LLC	Membership Interest
Chastain Ventures JV	JV Interest
Doyle Kos Management LLC	Membership Interest
DS Artists Management LLC	Membership Interest
Eagles Personal Management Company	Common Stock
Echomusic, LLC	Membership Interest
Fruin Productions, Inc.	Common Stock
GA Acquisitions, LLC	Membership Interest
GVE Venture LLC	Membership Interest
Hard 8 Management, Inc.	Membership Interest
Hilltop/Nederlander LLC	Membership Interest
HK Personal Development Co.	Membership Interest
HOB Marina City Partners, L.P.	Partnership Interest
Kenneth Crear Management LLC	Membership Interest
LCB France	Membership Interest
Lansdowne Boston Restaurant Corp., Inc.	Common Stock
Larry Rudolph Management LLC	Membership Interest
Listen Live, LLC	Membership Interest
Live 360 LLC	Membership Interest
Mark Rothbaum & Associates, LLC	Membership Interest

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<u>Issuer</u>	<u>Capital Stock</u>
Mick Artist Management LLC	Membership Interest
Netzwerk Live, LLC	Membership Interest
Pop Nation, LLC	Membership Interest
ROC Nation, LLC	Membership Interest
RPM Acquisition, LLC	Membership Interest
Spectacle Entertainment Group LLC	Membership Interest
StarRoc LLC	Membership Interest
Stratart, LLC	Membership Interest
Strategic Artist Management LLC	Membership Interest
TM Deutschland GmbH	Common Stock
Vector Management LLC	Membership Interest
Vector Two, LLC	Membership Interest
Vector West LLC	Membership Interest

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**SCHEDULE 1.01F**

**Letter of Credit Cap**

<b><u>L/C Issuer</u></b>	<b><u>Letter of Credit Cap</u></b>
Deutsche Bank AG, New York Branch	\$ 100,000,000
JPMorgan Chase Bank, N.A.	\$ 50,000,000

**SCHEDULE 2.01**

**Lenders and Commitments**

**Dollar Revolving Commitments**

<b><u>Dollar Revolving Lender</u></b>	<b><u>Dollar Revolving Committed Amount</u></b>	<b><u>Dollar Revolving Commitment Percentage</u></b>
Goldman Sachs Lending Partners LLC	\$ 13,491,519.31	13.49151931%
JPMorgan Chase Bank, N.A.	11,416,311.79	11.41631179
Deutsche Bank AG, New York Branch	10,118,639.48	10.11863948
Bank of America, N.A.	9,803,921.57	9.80392157
The Bank of Nova Scotia	9,803,921.57	9.80392157
The Royal Bank of Scotland, Plc	9,803,921.57	9.80392157
Wells Fargo Bank, N.A.	9,803,921.57	9.80392157
Morgan Stanley Bank, N.A.	7,352,941.18	7.35294118
HSBC Bank USA, National Association	6,127,450.98	6.12745098
Union Bank, N.A.	6,127,450.98	6.12745098
U.S. Bank National Association	3,750,000.00	3.75000000
State Bank of India	2,400,000.00	2.40000000
<b>Total</b>	<b>\$100,000,000.00</b>	<b>100.00000000%</b>

**Limited Currency Revolving Commitments**

<b><u>Limited Currency Revolving Lenders</u></b>	<b><u>Limited Currency Revolving Committed Amount</u></b>	<b><u>Limited Currency Revolving Commitment Percentage</u></b>
Goldman Sachs Lending Partners LLC	\$ 20,237,278.96	13.491519306%
JPMorgan Chase Bank, N.A.	17,124,467.72	11.416311813
Deutsche Bank AG, New York Branch	15,177,959.22	10.118639480
Bank of America, N.A.	14,705,882.35	9.803921567
The Bank of Nova Scotia	14,705,882.35	9.803921567
The Royal Bank of Scotland, Plc	14,705,882.35	9.803921567
Wells Fargo Bank, N.A.	14,705,882.35	9.803921567
Morgan Stanley Bank, N.A.	11,029,411.76	7.352941173
HSBC Bank USA, National Association	9,191,176.47	6.127450980
Union Bank, N.A.	9,191,176.47	6.127450980
U.S. Bank National Association	5,625,000.00	3.750000000
State Bank of India	3,600,000.00	2.400000000
<b>Total</b>	<b>\$150,000,000.00</b>	<b>100.000000000%</b>

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Multicurrency Revolving Commitments

<u>Multicurrency Revolving Lenders</u>	<u>Multicurrency Revolving Committed Amount</u>	<u>Multicurrency Revolving Commitment Percentage</u>
JPMorgan Chase Bank, N.A.	\$ 17,330,386.12	34.66077224%
Deutsche Bank AG, New York Branch	5,059,319.74	10.11863948
Bank of America, N.A.	4,901,960.79	9.80392158
The Bank of Nova Scotia	4,901,960.79	9.80392158
The Royal Bank of Scotland, Plc	4,901,960.79	9.80392158
Wells Fargo Bank, N.A.	4,901,960.79	9.80392158
HSBC Bank USA, National Association	3,063,725.49	6.12745098
Union Bank, N.A.	3,063,725.49	6.12745098
U.S. Bank National Association	1,875,000.00	3.75000000
<b>Total</b>	<b>\$ 50,000,000.00</b>	<b>100.00000000%</b>

Term A Loan Commitments

<u>Term A Lenders</u>	<u>Term A Loan Committed Amount</u>
Goldman Sachs Lending Partners LLC	\$ 12,066,822.54
Deutsche Bank AG, New York Branch	10,860,140.29
Bank of America, N.A.	10,588,235.29
The Bank of Nova Scotia	10,588,235.29
The Royal Bank of Scotland, Plc	10,588,235.29
Wells Fargo Bank, N.A.	10,588,235.29
JPMorgan Chase Bank, N.A.	9,117,154.83
Morgan Stanley Bank, N.A.	6,617,647.06
HSBC Bank USA, National Association	6,617,647.06
Union Bank, N.A.	6,617,647.06
U.S. Bank National Association	3,750,000.00
State Bank of India	2,000,000.00
<b>Total</b>	<b>\$100,000,000.00</b>

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Term B Loan Commitments

Term B Lender

JPMorgan Chase Bank, N.A.

**Total**

Term B Loan

Committed Amount

\$800,000,000.00

**\$800,000,000.00**



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**SCHEDULE 3.08**

**Mandatory Cost Rate**

1. The Mandatory Cost (to the extent applicable) is an addition to the interest rate to compensate Lenders for the cost of compliance with:
  - (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions);
  - (b) the requirements of the European Central Bank.
2. On the first day of each Interest Period (or as soon as possible thereafter) the Administrative Agent shall calculate, as a percentage rate, a rate (the "Additional Cost Rate") for each Lender, in accordance with the paragraphs set out below. The "Mandatory Cost" will be calculated by the Administrative Agent as a weighted average of the Lenders' Additional Cost Rates (weighted in proportion to the percentage participation of each Lender in the relevant Loan) and will be expressed as a percentage rate per annum rounded upwards, if necessary, to four decimal places.
3. The Additional Cost Rate for any Lender lending from a lending office in a Participating Member State will be the percentage notified by that Lender to the Administrative Agent. This percentage will be certified by such Lender in its notice to the Administrative Agent to be its reasonable determination of the cost (expressed as a percentage of such Lender's participation in all Loans made from such lending office) of complying with the minimum reserve requirements of the European Central Bank in respect of Loans made from that lending office.
4. The Additional Cost Rate for any Lender lending from a lending office in the United Kingdom will be calculated by the Administrative Agent as follows:
  - (a) in relation to any Loan in Sterling:

$$\frac{AB+C(B-D)+E \times 0.01}{100-(A+C)} \quad \text{percent per annum}$$

- (b) in relation to any Loan in any currency other than Sterling:

$$\frac{E \times 0.01}{300} \quad \text{percent per annum}$$

Where:

"A" is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which that Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.

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- “B” is the percentage rate of interest (excluding the Applicable Rate, the Mandatory Cost and, if the Loan is overdue, the additional rate of interest specified in Section 2.08(b)) payable for the relevant Interest Period of such Loan.
- “C” is the percentage (if any) of Eligible Liabilities which that Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.
- “D” is the percentage rate per annum payable by the Bank of England to the Administrative Agent on interest bearing Special Deposits.
- “E” is designed to compensate Lenders for amounts payable under the Fees Rules and is calculated by the Administrative Agent as being the average of the most recent rates of charge supplied by the Lenders to the Administrative Agent pursuant to paragraph 7 below and expressed in pounds per £1,000,000.
5. For the purposes of this Schedule:
- (a) “Eligible Liabilities” has the meanings given to it from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;
  - (b) “Fees Rules” means the rules on periodic fees contained in the Supervision Manual of the Financial Services Authority or such other law or regulation as may be in force from time to time in respect of the payment of fees for the acceptance of deposits;
  - (c) “Fee Tariffs” means the fee tariffs specified in the Fees Rules under the activity group A.1 Deposit acceptors (ignoring any minimum fee or zero rated fee required pursuant to the Fees Rules but taking into account any applicable discount rate);
  - (d) “Financial Services Authority” means the body corporate known by that name that has the functions conferred on it by or under the Financial Services and Markets Act 2000 or any successor entity;
  - (e) “Special Deposits” has the meaning given to it from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England; and
  - (f) “Tariff Base” has the meaning given to it in, and will be calculated in accordance with, the Fees Rules.
6. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (*i.e.* 5% will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.
7. If requested by the Administrative Agent, each Lender with a lending office in the United Kingdom or a Participating Member State shall, as soon as practicable after publication by the Financial Services Authority, supply to the Administrative Agent, the rate of charge payable by such Lender to the Financial Services Authority pursuant to the Fees Rules in respect of the relevant financial year of the Financial Services Authority (calculated for this purpose by such Lender as being the average of the Fee Tariffs applicable to such Lender for that financial year) and expressed in pounds per £1,000,000 of the Tariff Base of such Lender.

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8. Each Lender shall supply any information required by the Administrative Agent for the purpose of calculating its Additional Cost Rate. In particular, but without limitation, each Lender shall supply the following information in writing on or prior to the date on which it becomes a Lender:
- (a) the jurisdiction of the lending office out of which it is making available its participation in the relevant Loan; and
  - (b) any other information that the Administrative Agent may reasonably require for such purpose.
- Each Lender shall promptly notify the Administrative Agent in writing of any change to the information provided by it pursuant to this paragraph.
9. The percentages of each Lender for the purpose of A and C above and the rates of charge of each Lender for the purpose of E above shall be determined by the Administrative Agent based upon the information supplied to it pursuant to paragraphs 7 and 8 above and on the assumption that, unless a Lender notifies the Administrative Agent to the contrary, each Lender's obligations in relation to cash ratio deposits and Special Deposits are the same as those of a typical bank from its jurisdiction of incorporation with a lending office in the same jurisdiction as its lending office.
10. The Administrative Agent shall have no liability to any Person if such determination results in an Additional Cost Rate which over- or under-compensates any Lender and shall be entitled to assume that the information provided by any Lender pursuant to paragraphs 3, 7 and 8 above is true and correct in all respects.
11. The Administrative Agent shall distribute the additional amounts received as a result of the Mandatory Cost to the Lenders on the basis of the Additional Cost Rate for each Lender based on the information provided by each Lender pursuant to paragraphs 3, 7 and 8 above.
12. Any determination by the Administrative Agent pursuant to this Schedule in relation to a formula, the Mandatory Cost, an Additional Cost Rate or any amount payable to a Lender shall, in the absence of manifest error, be conclusive and binding on all parties to the Credit Agreement.
13. The Administrative Agent may from time to time, after consultation with the Parent Borrower and the Lenders, determine in its reasonable judgment and provide notice to the Parent Borrower and the Lenders of any amendments which are required to be made to this Schedule in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on all parties to the Credit Agreement.

**SCHEDULE 6.14****Subsidiaries**

<b><u>Legal Name</u></b>	<b><u>Jurisdiction of Formation</u></b>	<b><u>Registered Owner</u></b>	<b><u>Guarantor/ Excluded Subsidiary</u></b>	<b><u>Buy-Sell, Voting Trust or Other Agreements</u></b>
<b>Live Nation Subsidiaries</b>				
ABC3 Limited	Scotland	100% owned by Academy Music Group Limited	N/A	None
Academy Entertainments Group Limited (dormant)	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Academy Music Group Limited	England & Wales	100% owned by Electricland Limited	N/A	None
Academy Music Holdings Ltd	England & Wales	55.92% owned by LN-Gaiety Holdings Limited	N/A	Shareholders Agreement
Amphitheatre Ireland Limited	Ireland	50% owned by Live Nation Ireland Holdings Limited	N/A	Heads of Agreement
Amsterdam Music Dome Exploitiatie BV	Netherlands	51% owned by LYV BV	N/A	Shareholders Agreement
Angel Festivals Limited	England & Wales	50.1% owned by LN-Gaiety Holdings Limited	N/A	Shareholders Agreement
Annestown Limited (dormant)	England & Wales	100% owned by Gafrus Limited	N/A	None
Anthill Trading (Overseas) Limited	England & Wales	100% owned by Live Nation Worldwide, Inc.	N/A	None
Apollo Leisure Group Limited	England & Wales	100% owned by Live Nation Limited	N/A	None
Arena Grande AB	Sweden	100% owned by Lugerinc AB	N/A	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Bamboozle Festival, LLC	Delaware	51% owned by Live Nation Worldwide, Inc.	Excluded Subsidiary	Operating Agreement
Bar None Management Limited	Scotland	100% owned by D F Concerts Limited	N/A	None
Belgian Concerts Sprl (to be dissolved in 2010)	Belgium	100% owned by Live Nation International Holdings BV	N/A	None
Big Day Out Limited	Scotland	100% owned by D F Concerts Limited	N/A	None
Bill Graham Enterprises, Inc.	California	100% owned by Live Nation Worldwide, Inc.	Guarantor	None
Brand New Live BV	Netherlands	53% owned by Mojo Works B.V.	N/A	Shareholders Agreement
Bristolbeat Limited	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Brumbeat Limited	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Cardiff International Arena Limited (dormant)	England & Wales	100% owned by Apollo Leisure Group Limited.	N/A	None
Cellar Door Venues, Inc.	Florida	100% owned by Live Nation Worldwide, Inc.	Guarantor	None
Cirkus Arena & Restaurang Pa D. Ab	Sweden	100% owned by Live Nation Nordic AB	N/A	None
Cobb's Comedy Inc.	California	100% owned by Bill Graham Enterprises, Inc.	Guarantor	None
Compania Editora De Talentos Internacionales, S.A.	Spain	100% owned by Live Nation Espana SAU	N/A	None
Concerts at DF Limited	Scotland	100% owned by D F Concerts Limited	N/A	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Connecticut Amphitheater Development Corporation	Connecticut	100% owned by Live Nation Worldwide, Inc.	Guarantor	None
Connecticut Performing Arts, Inc.	Connecticut	100% owned by NOC, Inc.	Guarantor	None
Connecticut Performing Arts Partners	Connecticut	60% owned by NOC 40% owned by Connecticut Amphitheater Development Corporation	Guarantor	None
Deadwood Tickets Limited	Scotland	100% owned by D F Concerts Limited	N/A	None
De-lux Merchandise Company Limited (dormant)	England & Wales	100% owned by Midland Concert Promotions Group Limited	N/A	None
D F Concerts Limited	Scotland	78.33% owned by LN-Gaiety Holdings Limited	N/A	None
Electric Factory Concerts, Inc.	Pennsylvania	100% owned by Live Nation Concerts, Inc.	Guarantor	None
Electricland Limited	England & Wales	100% owned by Academy Music Holdings Ltd	N/A	None
Ema Telstar Management Ab (dormant)	Sweden	100% owned by Live Nation Nordic AB	N/A	None
Evening Star Productions, Inc.	Arizona	100% owned by Live Nation Concerts, Inc.	Guarantor	None
Event Merchandising, Inc.	California	80% owned by Live Nation Worldwide, Inc.	Guarantor	None
Events Club Oy	Finland	100% owned by Live Nation Finland Oy	N/A	None
Eventum Ab	Sweden	100% owned by Live Nation Nordic AB	N/A	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Fanbase Co. UK Limited	England & Wales	100% owned by Midland Concert Promotions Group Limited	N/A	None
Festival Republic.com Limited (dormant)	England & Wales	100% owned by Gafrus Limited	N/A	None
Festival Republic Limited	England & Wales	100% owned by LN-Gaiety Holdings Limited	N/A	None
Fillmore Theatrical Services	California	100% owned by Bill Graham Enterprises, Inc.	Guarantor	None
Finlaw 271 Limited (dormant)	England & Wales	100% owned by Gafrus Limited	N/A	None
Finlaw 279 Limited (dormant)	England & Wales	100% owned by Gafrus Limited	N/A	None
Forvaltningsbolaget Cirkus Pa K.D. Hb	Sweden	100% owned by Live Nation Nordic AB	N/A	None
Gafrus Limited	England & Wales	100% owned by LN-Gaiety Holdings Limited	N/A	None
Glasgowbeat Limited	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Glowspine Limited (dormant)	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Gricind Limited	England & Wales	100% owned by Live Nation Limited	N/A	None
HOB Boardwalk, Inc.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
HOB Chicago, Inc.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
HOB Entertainment, Inc.	Delaware	100% owned by Live Nation Worldwide, Inc.	Guarantor	None
HOB Marina City, Inc.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
HOB Marina City Partners, L.P.	Delaware	49.5% owned by HOB Chicago, Inc. 1% owned by HOB Marina City, Inc.	Excluded Subsidiary	Agreement of Limited Partnership
Holland Event Marketing BV	NL	97.5% owned by Mojo Concerts B.V. 2.5% owned by Mojo Works B.V.	N/A	None
Homelands Festival Limited	England & Wales	100% owned by Gafrus Limited	N/A	None
House of Blues Anaheim Restaurant Corp.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues Cleveland, LLC	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues Concerts, Inc.	California	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues Dallas Restaurant Corp.	Delaware	100% owned by House of Blues Restaurant Holding Corp.	Guarantor	None
House of Blues Houston Restaurant Corp.	Delaware	100% owned by House of Blues Restaurant Holding Corp.	Guarantor	None
House of Blues Las Vegas Restaurant Corp.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues Los Angeles Restaurant Corp.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues Myrtle Beach Restaurant Corp.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues New Orleans Restaurant Corp.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None



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House of Blues Orlando Restaurant Corp.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues Restaurant Holding Corp.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues San Diego, LLC	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
House of Blues San Diego Restaurant Corp.	Delaware	100% owned by HOB Entertainment, Inc.	Guarantor	None
International Talent Booking Limited	England & Wales	100% owned by Gricind Limited	N/A	None
Islingtonbeat Limited	England & Wales	100% owned by Academy Music Group Limited	N/A	None
King Tut's Recordings Limited	Scotland	100% owned by Concerts at DF Limited	N/A	None
Lansdowne Boston Restaurant Corp., Inc.	Delaware	100% owned by HOB Entertainment, Inc.	Excluded Subsidiary	None
Livebeat Limited	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Live Nation 2 Srl	Italy	52% owned by Live Nation Italia srl	N/A	Shareholders' Agreement
Live Nation Australia Pty Ltd	Australia	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation Belgium Holdings BVBA	Belgium	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation Bogart, LLC	Delaware	100% owned by Live Nation Worldwide, Inc.	Guarantor	None

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Live Nation BVBA	Belgium	100% owned by Live Nation Belgium Holdings BVBA	N/A	None
Live Nation Canada, Inc.	Canada	100% owned by HOB Entertainment, Inc.	N/A	None
Live Nation Central and Eastern Europe Kft	Hungary	100% owned by Live Nation Europe Holdings BV	N/A	None
Live Nation Chicago, Inc.	Delaware	100% owned by Live Nation Worldwide, Inc.	Guarantor	None
Live Nation Concerts, Inc.	Delaware	100% owned by Live Nation Worldwide, Inc.	Guarantor	None
Live Nation Culture & Information Consultancy (Shanghai) Limited	China	100% owned by Live Nation (HK) Limited	N/A	None
Live Nation Czech Republic sro	Czech Republic	100% owned by Live Nation Europe Holdings BV	N/A	None
Live Nation Denmark Aps	Denmark	100% owned by Live Nation Denmark Management Aps	N/A	None
Live Nation Denmark Management Aps	Denmark	100% owned by Live Nation Denmark Management Holdings Aps	N/A	None
Live Nation Denmark Management Holdings Aps	Denmark	100% owned by Live Nation Nordic AB	N/A	None
Live Nation Enterprise Limited (dormant)	England & Wales	100% owned by Live Nation Limited	N/A	None
Live Nation Espana SAU	Spain	100% owned by Live Nation Europe Holdings BV	N/A	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Live Nation Europe Holdings BV	Netherlands	99.5% owned by Live Nation Netherlands Holdings BV 0.5% owned by Live Nation International Holdings BV	N/A	None
Live Nation Facilitation Limited	England & Wales	100% owned by Live Nation (Music) UK Limited	N/A	None
Live Nation Festivals NV	Belgium	100% owned by Live Nation BVBA	N/A	None
Live Nation Finland Oy	Finland	100% owned by Live Nation Nordic AB	N/A	None
Live Nation France	France	51% owned by Live Nation International Holdings BV	N/A	None
Live Nation France Festivals	France	51% owned by Live Nation International Holdings BV	N/A	Shareholder's Agreement
Live Nation Germany GmbH	Germany	75% owned by Live Nation Germany Holdings GmbH	N/A	Shareholders' Agreement
Live Nation Germany Holdings GmbH	Germany	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation – Haymon Ventures, LLC	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Live Nation (HK) Limited	Hong Kong	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation Holdco #1, Inc.	Delaware	100% owned by Live Nation Entertainment, Inc.	Guarantor	None

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Live Nation Holdco #2, Inc.	Delaware	100% owned by Live Nation Holdco #1, Inc.	Guarantor	Second Amended and Restated Certificate of Incorporation
Live Nation Holding Nordic AB	Sweden	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation Holdings CV	Netherlands	100% owned by Live Nation Worldwide, Inc.	N/A	None
Live Nation Hungary Kft	Hungary	100% owned by Live Nation Europe Holdings BV	N/A	None
Live Nation International Holdings BV	Netherlands	100% owned by LYV BV	N/A	None
Live Nation (Ireland) Limited	England & Wales	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation Ireland Holdings Limited	Ireland	100% owned by Apollo Leisure Group Limited	N/A	None
Live Nation Italia srl	Italy	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation Limited	England & Wales	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation Marketing, Inc.	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Live Nation Merchandise, Inc.	Delaware	100% owned by LN Acquisition Holdco LLC	Guarantor	None
Live Nation Merchandise Limited	England & Wales	100% owned by Live Nation Limited	N/A	None

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Live Nation Middle East FZ-LLC	Dubai	65% owned by LYV BV	N/A	Shareholders' Agreement
Live Nation MTours (USA), Inc.	Delaware	100% owned by Live Nation Touring (USA), Inc.	Guarantor	None
Live Nation (Music) UK Limited	England & Wales	100% owned by Midland Concert Promotions Group Limited	N/A	None
Live Nation Netherlands Holdings BV	Netherlands	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation Nordic AB	Sweden	100% owned by Live Nation Holding Nordic AB	N/A	None
Live Nation Norway AS	Norway	100% owned by Live Nation Nordic AB	N/A	None
Live Nation SAS	France	100% owned by Live Nation International Holdings BV	N/A	None
Live Nation (Singapore) Pte Ltd	Singapore	100% owned by Live Nation (HK) Limited	N/A	None
Live Nation SP z.o.o.	Poland	100% owned by Live Nation Europe Holdings BV	N/A	None
Live Nation Studios, LLC	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Live Nation Sweden AB	Sweden	100% owned by Live Nation Nordic AB	N/A	None
Live Nation (Theatrical) UK Limited	England & Wales	100% owned by Live Nation Limited	N/A	None
Live Nation Ticketing, LLC	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Live Nation Touring (Canada), Inc.	Canada	100% owned Live Nation Worldwide, Inc.	N/A	None

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Live Nation Touring (USA), Inc.	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Live Nation UTours (USA), Inc.	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Live Nation Ventures, Inc.	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Live Nation Venues (Netherlands) BV	Netherlands	100% owned by LYV BV	N/A	None
Live Nation Worldwide, Inc.	Delaware	100% owned by Live Nation Holdco #2, Inc.	Guarantor	None
LN Acquisition Holdco LLC	Delaware	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
LN-Gaiety Holdings Limited	England & Wales	50.1% owned by Live Nation (Music) UK Limited	N/A	Shareholder's Agreement
LRW Theatre Corp.	California	100% owned by Live Nation Worldwide, Inc.	Excluded Subsidiary	None
Ludgate 354 Limited (dormant)	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Lugerinc Ab	Sweden	100% owned by Live Nation Sweden AB	N/A	None
LYV BV	Netherlands	100% owned by Live Nation Holdings CV	N/A	None
Magstack Limited	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Mail 2 Me VoF	Netherlands	99% owned by Mojo Concerts B.V. 1% owned by Mojo Works B.V.	N/A	None
Mean Fiddler Festivals Limited (dormant)	England & Wales	90% owned by Gafrus Limited	N/A	None

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Mean Fiddler Spain SI (dormant)	Spain	80% owned by Gafrus Limited	N/A	None
Mediterranea Concerts, S.L.	Spain	60% owned by Live Nation Espana SAU	N/A	None
MFMP Festivals and Events GmbH (dormant)	Germany	51% owned by Gafrus Limited	N/A	None
Michigan Licenses, LLC	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Midland Concert Promotions Group Limited	England & Wales	100% owned by Live Nation Limited	N/A	None
Mojo Concerts B.V.	Netherlands	100% owned by Mojo Works B.V.	N/A	None
Mojo Works B.V.	Netherlands	100% owned by Live Nation Netherlands Holdings BV	N/A	None
Moondog Entertainment Ab	Sweden	100% owned by Live Nation Sweden AB	N/A	None
Music Marketing Sp z.o.o.	Poland	100% owned by Live Nation SP z.o.o.	N/A	None
Musictoday, LLC	Virginia	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Newcbeat Limited	England & Wales	100% owned by Electricland Limited	N/A	None
NOC, Inc.	Connecticut	100% owned Live Nation Worldwide, Inc.	Guarantor	None
Northcane Limited (dormant)	England & Wales	100% owned by Midland Concert Promotions Group Limited	N/A	None
OX4 Limited	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Park Associates Limited (dormant)	England & Wales	100% owned by Apollo Leisure Group Limited.	N/A	None

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Pleasure Entertainment BV	Netherlands	100% owned by Mojo Works B.V.	N/A	None
Point Presentations Limited	Ireland	100% owned by Amphitheatre Ireland Limited	N/A	None
Point Promotions Limited	Ireland	100% owned by Amphitheatre Ireland Limited	N/A	None
Publicitywise Limited (dormant)	England & Wales	100% owned by Live Nation (Music) UK Limited	N/A	None
Rangepost Limited (dormant)	England & Wales	100% owned by Gafrus Limited	N/A	None
Reading Festival Limited (dormant)	England & Wales	100% owned by Gafrus Limited	N/A	None
Sensible Events Limited	England & Wales	100% owned by Live Nation (Music) UK Limited	N/A	None
SFX Financial Advisory Management Enterprises, Inc.	Delaware	100% owned by Live Nation Worldwide, Inc.	Excluded Subsidiary	None
Sharpfleur Limited	England & Wales	100% owned by Academy Music Group Limited	N/A	None
Shoreline Amphitheatre, Ltd.	California	100% owned by Bill Graham Enterprises, Inc.	Guarantor	None
Showsec Holdings Limited	England & Wales	100% owned by The Security Company (UK) Holdings Limited	N/A	None
Showsec International Limited	England & Wales	100% owned by Showsec Holdings Limited	N/A	None
Showsec Special Events Limited	England & Wales	100% owned by The Security Company (UK) Holdings Limited	N/A	None
Sidezone Limited (dormant)	England & Wales	100% owned by Gafrus Limited	N/A	None



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Straight International Security B.V.	Netherlands	100% owned by The Security Company Utrecht Holland Holding BV	N/A	None
Tecjet Limited	Scotland	52.5% owned by ABC3 Limited 25% owned by Academy Music Group Limited	N/A	None
The Academy Music Fund Limited	England & Wales	100% owned by Academy Music Holdings Ltd	N/A	None
The Event Support Company B.V.	Netherlands	100% owned by The Security Company Utrecht Holland Holding BV	N/A	None
The Security Company (UK) Holdings Limited	England & Wales	100% owned by The Security Company Utrecht Holland Holding BV	N/A	None
The Security Company Utrecht Holland Holding BV	Netherlands	65% owned by Mojo Works B.V.	N/A	Aandeelhoudersovereenkomst
Ticketstoday Limited	England & Wales	100% owned by Musictoday, LLC	N/A	None
TNA Tour II (USA) Inc.	Delaware	100% owned by Live Nation Touring (USA), Inc.	Guarantor	None
Tour Marketing Limited	England & Wales	100% owned by Midland Concert Promotions Group Limited	N/A	None
Trabajos de Musica, S.A.	Spain	51% owned by Live Nation Espana SAU	N/A	None
Wiltern Renaissance LLC	Delaware	100% owned Live Nation Worldwide, Inc.	Guarantor	None

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<b>Ticketmaster Subsidiaries</b>				
Azoff Promotions LLC	Delaware	100% owned by Front Line Management Group, Inc.	Guarantor	None
B.A.D. Management LLC	Delaware	100% owned by Front Line Management Group, Inc.	Excluded Subsidiary	None
Biletix Bilet Dağıtım Basım ve Ticaret AŞ	Turkey	100% owned by Ticketmaster Iberica, S.L.	N/A	Rigol Grupo de Inversiones S.L. has an option & usufruct agreement with each individual shareholder. Pursuant to that Rigol has the right to call the shares at any time on nominal value, plus Rigol has all voting, dividend, etc. rights attached to those 4 shares.
BILLETnet A/S	Denmark	100% owned by Ticketmaster Europe Holdco Ltd.	N/A	None
Billetsentralen AS	Norway	100% owned by Billetservice AS	N/A	None
Billetservice AS	Norway	100% owned by Ticketmaster UK Limited	N/A	None
Eagles Personal Management Company	California	100% owned by Front Line Management Group, Inc.	Excluded Subsidiary	None

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Echomusic LLC	Delaware	89% owned by IAC Partner Marketing, Inc.	Excluded Subsidiary	Amended and Restated Operating Agreement
Emma Entertainment (Beijing) Co. Ltd	China	100% owned by Ticketmaster Entertainment China Holding Co. Limited	N/A	None
Entertainers Art Gallery LLC	Delaware	100% owned by Front Line Management Group, Inc.	Guarantor	None
EventInventory.com, Inc.	Illinois	100% owned by The V.I.P. Tour Company	Guarantor	None
FC 1031 Limited	England & Wales	100% owned by Ticketmaster UK Limited	N/A	None
FEA Merchandise Inc.	Delaware	100% owned by Front Line Management Group, Inc.	Guarantor	None
FLMG Holdings Corp.	Delaware	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
Front Line BCC LLC	Delaware	100% owned by ILAA, Inc.	Guarantor	None
Front Line Management Group, Inc.	Delaware	54% owned by FLMG Holdings Corp. 21% owned by Ticketweb LLC	Guarantor	Second Amended and Restated Stockholders' Agreement Equity Incentive Plan
Fruin Productions, Inc.	California	100% owned by Front Line Management Group, Inc.	Excluded Subsidiary	None

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GA Acquisitions, LLC	Delaware	100% owned by Front Line Management Group, Inc.	Excluded Subsidiary	None
GetMeIn! Limited	England & Wales	100% owned by Ticketflask Limited	N/A	None
HK Personal Development Co.	California	100% owned by Front Line Management Group, Inc.	Excluded Subsidiary	None
IAC Partner Marketing, Inc.	Delaware	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
ILAA, Inc.	California	100% owned by Front Line Management Group, Inc.	Guarantor	None
ILA Management, Inc.	California	100% owned by Front Line Management Group, Inc.	Guarantor	None
Kartenhaus Ticketservice GmbH	Germany	100% owned by TM Deutschland GmbH	N/A	None
Lippupalvelu Oy	Finland	100% owned by Ticketmaster Europe Holdco Ltd.	N/A	None
Microflex 2001 LLC	Delaware	100% owned by Ticketmaster, L.L.C.	Guarantor	None
Morris Artists Management LLC	Delaware	100% owned by Front Line Management Group, Inc.	Guarantor	None
NetTickets.com, Inc.	Delaware	100% owned by The V.I.P. Tour Company	Guarantor	None
OpenSeats, Inc.	Illinois	100% owned by The V.I.P. Tour Company	Guarantor	None
Premium Inventory, Inc.	Illinois	100% owned by The V.I.P. Tour Company	Guarantor	None

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Reseau Admission LP	Canada	99.9% owned by Ticketmaster Canada LP 0.01% owned by Reseau Admission ULC	N/A	None
Reseau Admission ULC	Canada	100 % owned by Ticketmaster Canada LP	N/A	None
Shanghai Jina Advertising Company Ltd.	China	100% owned by Ticketmaster Entertainment China Holding Co. Limited	N/A	None
Show Me Tickets, LLC	Illinois	100% owned by The V.I.P. Tour Company	Guarantor	Stock Incentive Plan
Show Tickets Australia Pty Ltd	Australia	100% owned by Ticketmaster Australasia Pty Ltd	N/A	None
Spalding Entertainment, LLC	Tennessee	100% owned by Front Line Management Group, Inc.	Guarantor	None
The Ticket Shop Unlimited	Ireland	100% owned by Ticket Shop Holdings (IOM) (Unlimited)	N/A	None
The V.I.P. Tour Company	Delaware	100% owned by Live Nation Entertainment, Inc.	Guarantor	Stockholders' Agreement dated January 11, 2008
Ticketflask Limited	England & Wales	100% owned by TM Number One Limited	N/A	None
Ticketline (Unlimited)	Ireland	100% owned by The Ticket Shop Unlimited	N/A	None
Ticketmaster Advance Tickets, L.L.C.	Colorado	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
Ticketmaster Australasia Pty Ltd	Australia	100% owned by Reseau Admission	N/A	None
Ticketmaster California Gift Certificates L.L.C.	California	100% owned by Ticketmaster L.L.C.	Guarantor	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Ticketmaster Canada Holdings ULC	Canada	100% owned by Ticketmaster Luxembourg Holdco 3, S.a.r.l.	N/A	None
Ticketmaster Canada LP	Canada	99.9% owned by Ticketmaster Canada Holdings ULC 0.01% owned by Ticketmaster Canada ULC	N/A	None
Ticketmaster Canada ULC	Canada	100% owned by Ticketmaster Canada Holdings ULC	N/A	None
Ticketmaster Cayman Finance Company Ltd	Cayman Islands	100% owned by Ticketmaster Luxembourg Holdco 5, S.a.r.5. (U.S. Branch)	N/A	None
Ticketmaster China Ventures, L.L.C.	Delaware	100% owned by Ticketmaster New Ventures Holdings, Inc.	Guarantor	None
Ticketmaster EDCS LLC	Delaware	100% owned by Ticketmaster L.L.C.	Guarantor	None
Ticketmaster Entertainment China Holding Co. Limited	Hong Kong	80% owned by Ticketmaster Luxembourg Holdco 3, S.a.r.l.	N/A	Stockholders' Agreement dated as of April 24, 2007
Ticketmaster Europe Holdco Ltd.	England & Wales	100% owned by Ticketmaster Canada Holdings ULC	N/A	None
Ticketmaster Florida Gift Certificates L.L.C.	Florida	100% owned by Ticketmaster L.L.C.	Guarantor	None
Ticketmaster Georgia Gift Certificates L.L.C.	Georgia	100% owned by Ticketmaster L.L.C.	Guarantor	None
Ticketmaster Iberica SI	Spain	100% owned by Ticketmaster Europe Holdco Ltd.	N/A	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Ticketmaster-Indiana, L.L.C.	Delaware	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
Ticketmaster Indiana Holdings Corp.	Indiana	100% owned by Ticketmaster-Indiana, L.L.C.	Guarantor	None
Ticketmaster International Events Ltd.	England & Wales	100% owned by Ticketmaster UK Limited	N/A	None
Ticketmaster L.L.C.	Virginia	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
Ticketmaster Luxembourg Holdco 1, S.a.r.l.	Luxembourg	100% owned by Ticketmaster New Ventures Holdings, Inc.	N/A	None
Ticketmaster Luxembourg Holdco 2, S.a.r.l.	Luxembourg	100% owned by Ticketmaster Luxembourg Holdco 1, S.a.r.l.	N/A	None
Ticketmaster Luxembourg Holdco 3, S.a.r.l.	Luxembourg	100% owned by Ticketmaster Luxembourg Holdco 2, S.a.r.l.	N/A	None
Ticketmaster Luxembourg Holdco 4, S.a.r.l.	Luxembourg	100% owned by Ticketmaster Canada Holdings ULC	N/A	None
Ticketmaster Luxembourg Holdco 5, S.a.r.l.	Luxembourg	100% owned by Ticketmaster Canada Holdings ULC	N/A	None
Ticketmaster Multimedia Holdings LLC	Delaware	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
Ticketmaster New Ventures Finance HB	Sweden	99% owned by Ticketmaster Luxembourg Holdco 5, S.a.r.l. (U.S. Branch) 1% owned by Ticketmaster Cayman Finance Company Limited	N/A	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Ticketmaster New Ventures Holdings, Inc.	Delaware	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
Ticketmaster New Ventures, Ltd.	Cayman Islands	100% owned by Ticketmaster New Ventures Holdings, Inc.	N/A	None
Ticketmaster New Ventures II AB Holdings	Sweden	100% owned by Ticketmaster Europe Holdco Ltd.	N/A	None
Ticketmaster NZ Pty Ltd.	New Zealand	100% owned by Ticketmaster Australasia Pty Ltd	N/A	None
Ticketmaster Online—Citysearch UK Ltd.	England & Wales	100% owned by Ticketmaster UK Limited	N/A	None
Ticketmaster Pacific Acquisitions, Inc.	Delaware	100% owned by Ticketmaster New Ventures Holdings, Inc.	Excluded Subsidiary	None
Ticketmaster Systems Ltd	England & Wales	100% owned by FC1031 Limited	N/A	None
Ticketmaster Ticketing Information Technology (Shanghai) Co., Ltd	China	100% owned by Ticketmaster China Ventures, L.L.C.	N/A	None
Ticketmaster UK Limited	England & Wales	100% owned by TM Number One Limited	N/A	None
Ticketmaster West Virginia Gift Certificates L.L.C.	West Virginia	100% owned by Ticketmaster L.L.C.	Guarantor	None
Ticketron Australia Pty Ltd	Australia	100% owned by Ticketmaster Australasia Pty Ltd	N/A	None
TicketsNow.com, Inc.	Illinois	100% owned by The V.I.P. Tour Company	Guarantor	None
Ticket Service Nederland B.V.	Netherlands	100% owned by Ticketmaster UK Limited	N/A	None
Ticket Shop Holdings (IOM) (Unlimited)	Isle of Man	100% owned by Ticket Shop One (IOM) Limited	N/A	None



<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Ticket Shop (NI) Limited	Northern Ireland	100% owned by The Ticket Shop Unlimited	N/A	None
Ticket Shop One (IOM) Limited	Isle of Man	100% owned by Ticketmaster Canada Holdings ULC	N/A	None
Ticket Shop Two (IOM) Limited	Isle of Man	100% owned by Ticketmaster Canada Holdings ULC	N/A	None
TicketWeb LLC	Delaware	71% owned by FLMG Holdings Corp. 29% owned by Live Nation Entertainment, Inc.	Guarantor	None
TicketWeb UK, Ltd	England & Wales	100% owned by Ticketmaster Europe Holdco Ltd.	N/A	None
Ticnet AB	Sweden	100% owned by Ticketmaster New Ventures II AB Holdings	N/A	None
Tick Tack Ticket, S.A.	Spain	100% owned by Ticketmaster Iberica SI	N/A	None
Ticketmaster Deutschland Holding GmbH	Germany	90% owned by Ticketmaster New Ventures Holdings, Inc.	N/A	Partition of Share, Sale, Purchase and Transfer of Share, Option Agreement and Shareholder Agreement
TM Number One Limited	England & Wales	100% owned by Ticketmaster Europe Holdco Ltd.	N/A	None
TM Vista Inc.	Virginia	100% owned by Live Nation Entertainment, Inc.	Guarantor	None
TNOW Entertainment Group, Inc.	Illinois	100% owned by The V.I.P. Tour Company	Guarantor	None

<u>Legal Name</u>	<u>Jurisdiction of Formation</u>	<u>Registered Owner</u>	<u>Guarantor/ Excluded Subsidiary</u>	<u>Buy-Sell, Voting Trust or Other Agreements</u>
Vector Two, LLC	Delaware	100% owned by Vector Management LLC	N/A	None
Vector Management LLC	Delaware	75% owned by Front Line Management Group, Inc.	Excluded Subsidiary	Limited Liability Company Agreement
Worldwide Ticket Systems, Inc.	Washington	100% owned by Ticketmaster Canada LP	N/A	None

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**SCHEDULE 6.21****Filings and Recordings**

<u>Type of Filing</u>	<u>Entity</u>	<u>Jurisdiction</u>
UCC-1 Financing Statement	Azoff Promotions LLC	Delaware
UCC-1 Financing Statement	Bill Graham Enterprises, Inc.	California
UCC-1 Financing Statement	Cellar Door Venues, Inc.	Florida
UCC-1 Financing Statement	Cobb's Comedy Inc.	California
UCC-1 Financing Statement	Connecticut Amphitheater Development Corporation	Connecticut
UCC-1 Financing Statement	Connecticut Performing Arts, Inc.	Connecticut
UCC-1 Financing Statement	Connecticut Performing Arts Partners	California
UCC-1 Financing Statement	Electric Factory Concerts, Inc.	Pennsylvania
UCC-1 Financing Statement	Entertainers Art Gallery LLC	Delaware
UCC-1 Financing Statement	Evening Star Productions, Inc.	Arizona
UCC-1 Financing Statement	EventInventory.com, Inc.	Illinois
UCC-1 Financing Statement	Event Merchandising Inc.	California
UCC-1 Financing Statement	FEA Merchandise Inc.	Delaware
UCC-1 Financing Statement	Fillmore Theatrical Services	California
UCC-1 Financing Statement	FLMG Holdings Corp.	Delaware
UCC-1 Financing Statement	Front Line BCC LLC	Delaware
UCC-1 Financing Statement	Front Line Management Group, Inc.	Delaware
UCC-1 Financing Statement	HOB Boardwalk, Inc.	Delaware
UCC-1 Financing Statement	HOB Chicago, Inc.	Delaware
UCC-1 Financing Statement	HOB Entertainment, Inc.	Delaware
UCC-1 Financing Statement	HOB Marina City, Inc.	Delaware
UCC-1 Financing Statement	House of Blues Anaheim Restaurant Corp.	Delaware
UCC-1 Financing Statement	House of Blues Cleveland, LLC	Delaware
UCC-1 Financing Statement	House of Blues Concerts, Inc.	California
UCC-1 Financing Statement	House of Blues Dallas Restaurant Corp.	Delaware
UCC-1 Financing Statement	House of Blues Houston Restaurant Corp.	Delaware
UCC-1 Financing Statement	House of Blues Las Vegas Restaurant Corp.	Delaware
UCC-1 Financing Statement	House of Blues Los Angeles Restaurant Corp.	Delaware
UCC-1 Financing Statement	House of Blues Myrtle Beach Restaurant Corp.	Delaware

<b>Type of Filing</b>	<b>Entity</b>	<b>Jurisdiction</b>
UCC-1 Financing Statement	House of Blues New Orleans Restaurant Corp.	Delaware
UCC-1 Financing Statement	House of Blues Orlando Restaurant Corp.	Delaware
UCC-1 Financing Statement	House of Blues Restaurant Holding Corp.	Delaware
UCC-1 Financing Statement	House of Blues San Diego, LLC	Delaware
UCC-1 Financing Statement	House of Blues San Diego Restaurant Corp.	Delaware
UCC-1 Financing Statement	IAC Partner Marketing, Inc.	Delaware
UCC-1 Financing Statement	ILAA, Inc.	California
UCC-1 Financing Statement	ILA Management, Inc.	California
UCC-1 Financing Statement	Live Nation Bogart, LLC	Delaware
UCC-1 Financing Statement	Live Nation Chicago, Inc.	Delaware
UCC-1 Financing Statement	Live Nation Concerts, Inc.	Delaware
UCC-1 Financing Statement	Live Nation Entertainment, Inc.	Delaware
UCC-1 Financing Statement	Live Nation – Haymon Ventures, LLC	Delaware
UCC-1 Financing Statement	Live Nation Holdco #1, Inc.	Delaware
UCC-1 Financing Statement	Live Nation Holdco #2, Inc.	Delaware
UCC-1 Financing Statement	Live Nation Marketing, Inc.	Delaware
UCC-1 Financing Statement	Live Nation Merchandise, Inc.	Delaware
UCC-1 Financing Statement	Live Nation MTours (USA), Inc.	Delaware
UCC-1 Financing Statement	Live Nation Studios, LLC	Delaware
UCC-1 Financing Statement	Live Nation Ticketing, LLC	Delaware
UCC-1 Financing Statement	Live Nation Touring (USA), Inc.	Delaware
UCC-1 Financing Statement	Live Nation UTours (USA), Inc.	Delaware
UCC-1 Financing Statement	Live Nation Ventures, Inc.	Delaware
UCC-1 Financing Statement	Live Nation Worldwide, Inc.	Delaware
UCC-1 Financing Statement	LN Acquisition Holdco LLC	Delaware
UCC-1 Financing Statement	Michigan Licenses, LLC	Delaware
UCC-1 Financing Statement	Microflex 2001 LLC	Delaware
UCC-1 Financing Statement	Morris Artists Management LLC	Delaware
UCC-1 Financing Statement	Musictoday, LLC	Virginia
UCC-1 Financing Statement	NetTickets.com, Inc.	Delaware
UCC-1 Financing Statement	NOC, Inc.	Connecticut
UCC-1 Financing Statement	OpenSeats, Inc.	Illinois

Type of Filing	Entity	Jurisdiction
UCC-1 Financing Statement	Premium Inventory, Inc.	Illinois
UCC-1 Financing Statement	Shoreline Amphitheatre, Ltd.	California
UCC-1 Financing Statement	Show Me Tickets, LLC	Illinois
UCC-1 Financing Statement	Spalding Entertainment, LLC	California
UCC-1 Financing Statement	The V.I.P. Tour Company	Tennessee
UCC-1 Financing Statement	Ticketmaster Advance Tickets, L.L.C.	Colorado
UCC-1 Financing Statement	Ticketmaster California Gift Certificates L.L.C.	California
UCC-1 Financing Statement	Ticketmaster China Ventures, L.L.C.	Delaware
UCC-1 Financing Statement	Ticketmaster EDCS LLC	Delaware
UCC-1 Financing Statement	Ticketmaster Florida Gift Certificates L.L.C.	Florida
UCC-1 Financing Statement	Ticketmaster Georgia Gift Certificates L.L.C.	Georgia
UCC-1 Financing Statement	Ticketmaster-Indiana, L.L.C.	Delaware
UCC-1 Financing Statement	Ticketmaster Indiana Holdings Corp.	Indiana
UCC-1 Financing Statement	Ticketmaster L.L.C.	Virginia
UCC-1 Financing Statement	Ticketmaster Multimedia Holdings LLC	Delaware
UCC-1 Financing Statement	Ticketmaster New Ventures Holdings, Inc.	Delaware
UCC-1 Financing Statement	Ticketmaster West Virginia Gift Certificates L.L.C.	West Virginia
UCC-1 Financing Statement	TicketsNow.com, Inc.	Illinois
UCC-1 Financing Statement	TicketWeb, LLC	Delaware
UCC-1 Financing Statement	TM Vista Inc.	Virginia
UCC-1 Financing Statement	TNOW Entertainment Group, Inc.	Illinois
UCC-1 Financing Statement	TNA Tour II (USA) Inc.	Delaware
UCC-1 Financing Statement	Wiltern Renaissance LLC	Delaware
U.S. Trademark Agreement	Evening Star Productions, Inc. EventInventory.com, Inc. HOB Entertainment, Inc. Live Nation Entertainment, Inc. Live Nation Worldwide, Inc. Musictoday, LLC The V.I.P. Tour Company Ticketmaster L.L.C. TicketsNow.com, Inc. TicketWeb, LLC TNOW Entertainment Group, Inc.	USPTO
U.S. Patent Agreement	Live Nation Worldwide, Inc. Ticketmaster L.L.C.	USPTO

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<b>Type of Filing</b>	<b>Entity</b>	<b>Jurisdiction</b>
U.S. Copyright Agreement	Bill Graham Enterprises, Inc. Live Nation Entertainment, Inc. Live Nation Worldwide, Inc. Ticketmaster L.L.C.	US Copyright Office

**SCHEDULE 7.08**

**Insurance**

<u>Carrier</u>	<u>Policy Number</u>	<u>Expiration Date</u>	<u>Type of Insurance</u>	<u>Amount</u>
National Union Fire Insurance Co.	GL#6506469	11/1/10	General Liability	\$1,000,000 each occurrence \$1,000,000 fire damage \$1,000,000 personal & adv injury \$5,000,000 general aggregate \$1,000,000 products
National Union Fire Insurance Co.	GL6506470	11/1/10	Liquor Liability	\$1,000,000 each/aggregate
National Union Fire Insurance Co.	CA 6647348 CA 6647351 CA 6647350-MA CA 6647349-VA	11/1/10	Automobile Liability	\$2,000,000 combined single limit covering all owned autos, hired autos, non-owned autos and any autos in MA and VA
New Hampshire Insurance Co.	WC 004289400, 01, 02 WC004289396, 97, 98, 99	11/1/10	Workers Compensation and Employers' Liability	\$2,000,000 E.L. each accident \$2,000,000 E.L. disease each employee \$2,000,000 disease policy limit WC statutory limits
Lexington Insurance Company	020412766	12/31/10	Property	\$25,000,000 blanket building and property
Federal Insurance Co	6803-8552	12/20/10	Fiduciary Liability	\$10,000,000 aggregate
National Union Fire Insurance Co.	01-423-57-23	12/20/10	Employment Practices Liability	\$10,000,000 aggregate
US Specialty Insurance Co. Axis Insurance Co.	14-MGU-09-A20586 MAN 736263/01/2009	12/20/10	Director & Officers' Liability	\$50,000,000 aggregate, each carrier is on for \$10,000,000, each with US Specialty as primary
Federal Ins Co. Chubb	8207-7346			
Allied World Assurance Co.	0305-1702			
St Paul Fire & Marine Ins Co.	568CM3109			
Federal Ins Co	8207-7353	12/20/10	Crime Insurance	\$15,000,000 each loss
Royal & Sun Alliance	YMM824298/ YMM82429	11/1/10	Global Package	\$10,000,000 EL \$2,000,000 Public

Carrier	Policy Number	Expiration Date	Type of Insurance	Amount
Chartis Insurance Co of Canada	RMGL9895631	11/1/10	Canadian Package	\$2,000,000 general aggregate \$1,000,000 BI/PD per occurrence
Westchester Fire Insurance Company	G21979363005	11/1/10	Umbrella	\$25,000,000
AWAC	3050614	11/1/10	1st Excess	\$25,000,000 xs \$25,000,000
Great American Assurance	EXC8634746	11/1/10	2nd Excess	\$25,000,000 p/o \$50,000,000 xs \$50,000,000
Starr Indemnity	WCSINAT500005409	11/1/10	2nd Excess	\$25,000,000 p/o \$50,000,000 xs \$50,000,000
Endurance Spec (Bermuda)	EXC10001788700	11/1/10	3rd Excess	\$25,000,000 xs \$100,000,000
Aspen (Bermuda)	ECA119F09A0R	11/1/10	4th Excess	\$25,000,000 p/o \$50,000,000 xs \$125,000,000
Torus (Bermuda)	BDAFF03-2009-0013	11/1/10	4th Excess	\$25,000,000 p/o \$50,000,000 xs \$125,000,000
AIG Excess (Bermuda)	25413360	11/1/10	5th Excess	\$50,000,000 xs \$175,000,000
Westchester/ACE (Bermuda)	LYV-PD/09	11/1/10	Lead Puni Wrap	\$25,000,000
AWAC (Bermuda)	C0107711/002	11/1/10	Excess Puni Wrap	\$25,000,000 xs \$25,000,000
Magna Carta (Bermuda)	MCDP202325	11/1/10	Excess Puni Wrap	\$25,000,000 p/o \$50,000,000 xs \$50,000,000
Starr Insurance (Bermuda)	00209	11/1/10	Excess Puni Wrap	\$25,000,000 p/o \$50,000,000 xs \$50,000,000
Illionois National	013102155	11/1/10	Errors & Omissions	\$25,000,000
Axis	MNG749780-09	12/31/10	Excess Property	\$12,500,000 p/o \$25,000,000 xs \$25,000,000
Princeton (Munich RE)	78A3XP000023700	12/31/10	Excess Property	\$7,500,000 p/o \$25,000,000 xs \$25,000,000
ACE	CRXD37458004	12/31/10	Excess Property	\$5,000,000 p/o \$25,000,000 xs \$25,000,000
Insurance Company of the State of PA (AIG WorldSource)	IMB7528354	12/31/10	International Excess Property	\$100,000,000 xs \$50,000,000
Lloyd's	E09RQ2923200	12/31/10	Primary Terrorism	\$100,000,000
Lloyd's	E09RQ2923A00	12/31/10	Excess Terrorism	\$50,000,000 xs \$100,000,000
Royal & Sun Alliance	B0823 MA0902012	12/31/10	Marine Cargo	\$3,750,000 \$20,000,000 \$25,000,000 \$2,500,000 \$2,000,000



## SCHEDULE 7.18

### Post-Closing Matters

Within 90 days of the Closing Date (or such longer period as the Administrative Agent may designate in writing in its sole discretion, the “Post-Closing Period”), Parent Borrower shall complete or cause to be completed the following actions:

1. Termination of Liens. Parent Borrower shall cause the following liens to be terminated within the Post-Closing Period:

<u>Debtor</u>	<u>Jurisdiction</u>	<u>Type of filing</u>	<u>Secured Party</u>	<u>File Date</u>	<u>File Number</u>
Front Line Management Group, Inc.	Delaware	UCC-1	First Republic Bank, a Division of Merrill Lynch Bank and Trust Co., FSB	06/17/2008	2008 2077087
Front Line Management Group, Inc.	California	SOS UCC-1	The Azoff Family Trust	08/05/2005	057036884980
ILAA, Inc.	California	UCC-1	The Azoff Family Trust of 1997	08/05/2005	057036883111

2. Possessory Collateral. To the extent not already delivered to the Collateral Agent, Parent Borrower shall cause the following certificated equity interests (together with corresponding stock powers, endorsed in blank) and promissory notes and instruments (together with corresponding allonges or note powers, endorsed in blank) to be delivered to the Collateral Agent within the Post-Closing Period:

#### A. Stock Certificates

<u>Current Legal Entities Owned</u>	<u>Record Owner</u>	<u>Certificate No.</u>	<u>No. Shares/Interest</u>
Evening Star Productions, Inc.	Live Nation Concerts, Inc.	N-1	700 Common
Event Merchandising Inc.	Live Nation Worldwide, Inc.	N-1	1,333.3 Common
		P-1	42,500 Series A Preferred
Fillmore Theatrical Services	Bill Graham Enterprises, Inc.	2	4,000 Common
HOB Boardwalk, Inc.	HOB Entertainment, Inc.	1	1,000 Common
HOB Entertainment, Inc.	Live Nation Worldwide, Inc.	299	1,000 Common
House of Blues Concerts, Inc.	HOB Entertainment, Inc.	3	100 Common
House of Blues Dallas Restaurant Corp.	House of Blues Restaurant Holding Corp.	2	1,000 Common
House of Blues Houston Restaurant Corp.	House of Blues Restaurant Holding Corp.	2	1,000 Common

<b>Current Legal Entities Owned</b>	<b>Record Owner</b>	<b>Certificate No.</b>	<b>No. Shares/Interest</b>
House of Blues Las Vegas Restaurant Corp.	HOB Entertainment, Inc.	1	1,000 Common
House of Blues Los Angeles Restaurant Corp.	HOB Entertainment, Inc.	2	1,000 Common
House of Blues Myrtle Beach Restaurant Corp.	HOB Entertainment, Inc.	1	1,000 Common
House of Blues New Orleans Restaurant Corp.	HOB Entertainment, Inc.	2	1,000 Common
House of Blues Restaurant Holding Corp.	HOB Entertainment, Inc.	1	1,000 Common
House of Blues San Diego Restaurant Corp.	HOB Entertainment, Inc.	1	1,000 Common
Live Nation Chicago, Inc.	Live Nation Worldwide, Inc.	N-1	100 Shares
Live Nation Concerts, Inc.	Live Nation Worldwide, Inc.	N-1	1,000 Common
Live Nation Holdco #1, Inc.	Live Nation Entertainment, Inc.	4	1
		5	8,000
		6	704,053.00
Live Nation Holdco #2, Inc.	Live Nation Holdco #1, Inc.	3	600,000 Common
Live Nation Marketing, Inc.	Live Nation Worldwide, Inc.	N-1	100 Common
Live Nation Touring (USA), Inc.	Live Nation Worldwide, Inc.	N-1	100 Common
Live Nation UTours (USA), Inc.	Live Nation Worldwide, Inc.	N-1	1,000 Common
Live Nation Ventures, Inc.	Live Nation Worldwide, Inc.	A-1	100 Common
Live Nation Worldwide, Inc.	Live Nation Holdco #2, Inc.	A-3	1,000 Common—Class A
LRW Theatre Corp.	Live Nation Worldwide, Inc.	3	25,000 Common
Anthill Trading (Overseas) Limited	Live Nation Worldwide, Inc.		
Ticketstoday Limited (UK)	Musictoday, LLC		
Live Nation Canada, Inc.	HOB Entertainment, Inc.	C-7	0.65 Common
Live Nation Touring (Canada), Inc.	Live Nation Worldwide, Inc.	C-5	6 Common
Ticketmaster Pacific Acquisitions, Inc.	Ticketmaster New Ventures Holdings, Inc.	2	100
Ticketmaster Luxembourg Holdco 1, S.a.r.l. (Luxembourg)	Ticketmaster New Ventures Holdings, Inc.		

<u>Current Legal Entities Owned</u>	<u>Record Owner</u>	<u>Certificate No.</u>	<u>No. Shares/Interest</u>
Ticketmaster New Ventures Ltd. (Cayman)	Ticketmaster New Ventures Holdings, Inc.	1	1,000 Ordinary

**B. Instruments**

<u>Lender</u>	<u>Borrower</u>	<u>Principal Amount</u>	<u>Date of Issuance</u>	<u>Interest Rate</u>	<u>Maturity Date</u>
FLMG Holdings Corp.	Front Line Management Group, Inc.	\$4,175,000.00	4/29/10	4.50%	4/29/15

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**SCHEDULE 8.01**

**Existing Liens**

1. Liens filed against Amphitheatre Ireland Limited securing indebtedness from HSBC, which is listed on Schedule 8.03.
- 2 Please see attached chart.

<u>Debtor</u>	<u>Jurisdiction</u>	<u>Type of filing</u>	<u>Secured Party</u>	<u>Collateral</u>	<u>File Date</u>	<u>Number</u>
Bill Graham Enterprises, Inc.	California	UCC-1	Herc Exchange, LLC	Equipment	04/7/2010	2458813002
Bill Graham & Chuck Morris Presents; Chuck Morris Presents LLC; Kroenke Sports Holdings, LLC; Universal Lending Pavillion	Colorado	UCC-1	Dowlen Sound Inc.	In lieu filing re: mixing consoles, microphones, speakers, etc.	06/1/2006	2006F053452
Cinq Group, LLC	Delaware	UCC-1	The CIT Group/Commercial Services, Inc.	Accounts receivable created on or prior to March 31, 2009, and merchandise represented thereby (delivered or undelivered) and any proceeds thereof.	12/11/2003 Five Amendments Continuation 8/5/2008	33263707 Amendment: 2008 2682886
Evening Star Productions, Inc.	Arizona	State Tax Lien	Arizona Department of Revenue		09/9/1983	000146-3
FEA Merchandise Inc.	Delaware	UCC-3 Amendment	The CIT Group/Commercial Services, Inc.	All property described on Schedule A	09/13/2005 Amendment: 12/3/2009	5282661 9 Amendment: 2009- 3872121
FEA Merchandise Inc.	Delaware	UCC-3 Amendment	The CIT Group/Commercial Services, Inc.	All property described on Schedule A	09/15/2005 Amendment: 12/3/2009	52856236 Amendment: 2009 3872147
Grand Entertainment (Row), LLC	Delaware	UCC-1	The Weinstein Company	All right re: motion picture entitled "Pete Seeger: The Power of Song"	07/3/2008	2008 2611414
HOB Entertainment, Inc.	Delaware	UCC-3 Continuation	Ameritech Credit Corporation d/b/a SBC Capital Services	Computer hardware and software Equipment	09/15/2004 Amendment: 7/24/09	4263785 0 Amendment: 2009 2384946
HOB Entertainment, Inc.	Delaware	UCC-1	Wells Fargo Financial Leasing, Inc.	Goods	06/15/2007	2007 2465911

<u>Debtor</u>	<u>Jurisdiction</u>	<u>Type of filing</u>	<u>Secured Party</u>	<u>Collateral</u>	<u>File Date</u>	<u>Number</u>
HOB Entertainment, Inc.	Delaware	UCC-1	Xerox Corporation	True Lease	09/10/2009	2009 2907472
HOB Entertainment, Inc.	Los Angeles County, CA	Federal Tax Lien	IRS	\$14,537.02	03/18/2010	20100371855
HOB Entertainment, Inc.	Los Angeles County, CA	State Tax Lien	Los Angeles County Tax Collector	\$844.50	05/24/2001	01-0891389
HOB Entertainment, Inc.	Los Angeles County, CA	State Tax Lien	Los Angeles County Tax Collector	\$434.97	03/06/2002	02-0526923
HOB Entertainment, Inc.	Los Angeles County, CA	State Tax Lien	Los Angeles County Tax Collector	\$201.13	12/03/2003	20033639646
HOB Entertainment, Inc.	California SOS	Federal Tax Lien	IRS/OHIO P.O. BOX 145595 CINCINNATI OH 25250	\$14,537.02	03/15/2010	107225656943
House of Blues Concerts, Inc.	Los Angeles County, CA	State Tax Lien		\$769.57	12/05/2008	20082144406
House of Blues San Diego Restaurant Corp. (original debtor on filing - amendment changed debtor name to Music Venue Management Corp.)	Delaware	UCC-3 Assignment	Republic Bank, Inc.	True Lease	10/11/2006 Amendment: 12/19/006	6351226 6 Amendment: 64440806
ILA Management, Inc.	California	UCC-1	Xerox Corporation	True Lease	10/30/2006	067090202147
ILA Management, Inc.	Los Angeles County, CA	State Tax Lien		\$232.93	12/16/2002	20023063449

<u>Debtor</u>	<u>Jurisdiction</u>	<u>Type of filing</u>	<u>Secured Party</u>	<u>Collateral</u>	<u>File Date</u>	<u>Number</u>
LIVE NATION LESSEE (no more specific identifier as to name of the actual entity against which the lien is placed)	Los Angeles County, CA	State Tax Lien		\$178.22	03/12/2008	20080425028
Live Nation, Inc.	Delaware	UCC-1	CIT COMMUNICATIONS FINANCE CORPORATION	Equipment	07/28/2008	2008 2570156
Live Nation Worldwide, Inc.	California	UCC-1	BBH Financial Services	Equipment	01/27/2009	09-7185802797
Live Nation Worldwide, Inc. and Shine A Light, LLC	Delaware	UCC-1	Twentieth Century Fox Film Corporation	All of debtor's right, title and interest in and to the motion picture currently entitled "Shine A Light" and the proceeds therefrom, all as more fully set forth in exhibit "I"	02/11/2008	2008 0509115
Music Venue Management Corp.	Delaware	UCC-1	Republic Bank, Inc.	Leased software, etc.	3-7-2007	2007 0931492
Live Nation Worldwide, Inc., Shine A Light, LLC and Shangri-LA Entertainment, LLC	Delaware	UCC-1	Directors Guild of America, Inc.	As Security for the prompt and complete payment and performance when due of all obligation of debtor (s) to secured party under the security agreement	04/04/2008	2008 1195245
Live Nation Worldwide, Inc.	Delaware	UCC-1	Xerox Corporation	Equipment	10/23/2009	2009 3418594
Mad Mac	California	State Tax Lien	Employment Development Depart	\$6831.16	04/17/2002	0210860275

<u>Debtor</u>	<u>Jurisdiction</u>	<u>Type of filing</u>	<u>Secured Party</u>	<u>Collateral</u>	<u>File Date</u>	<u>Number</u>
MusicToday, LLC	Virginia	UCC-3 Continuation	Universal Music & Video Distribution Corp.	Universal Music and Video Distribution Corp UCC Collateral description debtor hereby grants to the secured party a continuing security interest in all of the following personal property	08/05/2004  Amendment: 5/12/09	0408057120-5  Amendment: 09051272004
SFX Entertainment Inc.	Delaware	UCC-3 Continuation	DE Lage Landen Financial Services, Inc.	Equipment	10/21/2004  Amendment: 9/23/09	4302285 4  Amendment: 2009 3043384
SFX Entertainment, Inc.	Delaware	UCC-3 Continuation	DE Lage Landen Financial Services, Inc.	Equipment	03/21/2005  Amendment: 2/24/10	5087902 4  Amendment: 2010 0614655
SFX Touring, Inc.	Delaware	UCC-1	Cirque Arena Partners, LLP	50% membership interest held in Delirium General Partner, LLC and 49.5% limited partner interest held in Delirium Concert, L.P.	04/27/2006	61425263
Signatures Network, Inc.	California SOS	State Tax Lien	State of California Employment Development Department	\$2,203.95	09/2/2009	09-7207386729
Signatures Network, Inc.	California SOS	State Tax Lien	State of California Employment Development Department	\$2,568.13	10/30/2009	09-7213264802
Sunshine Concerts, L.L.C.	Delaware	UCC-1	U.S. Bancorp	Equipment	11/10/2008	2008 3766902
The V.I.P. Tour Company	Delaware	UCC-1	Cisco Systems Capital Corporation	Equipment	07/18/2006	6247995 4



<u>Debtor</u>	<u>Jurisdiction</u>	<u>Type of filing</u>	<u>Secured Party</u>	<u>Collateral</u>	<u>File Date</u>	<u>Number</u>
The V.I.P. Tour Company	Delaware	UCC-1	Cisco Systems Capital Corporation	Equipment	07/18/2006	6247998 8
The V.I.P. Tour Company	Delaware	UCC-1	Cisco Systems Capital Corporation	Equipment	07/18/2006	6248012 7
The V.I.P. Tour Company	Delaware	UCC-1	HEWLETT-PACKARD FINANCIAL SERVICE COMPANY	Equipment	07/31/2006	6263730 4
The V.I.P. Tour Company	Cook County, Illinois	Local Litigation	Judgment Cach LLC	Case Type: Contract	10/01/1999	2009-M1-165637
Ticketmaster Corporation	Delaware	UCC-1	U.S. Bancorp	Equipment - printers	08/5/2005	5249125
Ticketmaster Corporation	Delaware	UCC-1	U.S. Bancorp	Equipment - copiers	03/14/2006	60862730
Ticketmaster Corp.	Delaware	UCC-1	U.S. Bancorp	Equipment - scanners	06/12/2006	61998988
Ticketmaster LLC	Delaware	UCC-1	MWB Business Systems	Equipment	07/6/04 Continuation: 06/18/09	41911447 2009 1943064
Ticketmaster LLC	Delaware	UCC-1	U.S. Bancorp	Equipment	12/4/2007	2007 4561360
Ticketmaster LLC	Delaware	UCC-1	U.S. Bancorp	Equipment	12/4/2007	2007 4561378
Ticketmaster LLC	Delaware	UCC-1	U.S. Bancorp	Equipment	12-4-2007	2007 4561386

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<b><u>Debtor</u></b>	<b><u>Jurisdiction</u></b>	<b><u>Type of filing</u></b>	<b><u>Secured Party</u></b>	<b><u>Collateral</u></b>	<b><u>File Date</u></b>	<b><u>Number</u></b>
Ticketmaster L.L.C.	Virginia	UCC-1	US Bancorp	Equipment	04/16/2008	0804167091-5
Ticketmaster L.L.C.	Virginia	UCC-1	US Bancorp	Equipment	04/16/2008	0804167092-7
Ticketmaster L.L.C.	Virginia	UCC-1	US Bancorp	Equipment	04/16/2008	0804167093-9
Ticketmaster L.L.C.	Virginia	UCC-1	US Bancorp	Equipment	04/16/2008	0804167255-3
Ticketmaster L.L.C.	Virginia	UCC-1	US Bancorp	Equipment	05/30/2008	0805307193-3
Ticketmaster LLC	Virginia	UCC-1	US Bancorp	Equipment	06/11/2008	0806117134-1
Ticketmaster LLC	Virginia	UCC-1	US Bancorp	Equipment	06/26/2008	0806267153-2
Ticketmaster LLC	Virginia	UCC-1	US Bancorp	Equipment	08/04/2008	0808047151-6
Ticketmaster LLC	Virginia	UCC-1	US Bancorp	Equipment	09/12/2008	08091271856
Ticketmaster LLC	Virginia	UCC-1	US Bancorp	Equipment	10/31/2008	08103171203
Ticketmaster LLC	Virginia	UCC-1	US Bancorp	Equipment	11/06/2008	08110671632
Ticketmaster LLC	Virginia	UCC-1	US Bancorp	Equipment	01/29/2009	09012970982
Ticketmaster LLC	Virginia	UCC-1	US Bancorp	Equipment	02/12/2009	09021271525

<u>Debtor</u>	<u>Jurisdiction</u>	<u>Type of filing</u>	<u>Secured Party</u>	<u>Collateral</u>	<u>File Date</u>	<u>Number</u>
Ticketmaster L.L.C.	Los Angeles County, CA	State Tax Lien	Los Angeles County Tax Collector	\$1317.64	02/22/2002	02-0416328
Ticketmaster L.L.C.	Los Angeles County, CA	Local Litigation	Plaintiff: Samson, Marc DBA Mas Marketing		04/02/2002	02M04519
Ticketmaster L.L.C.	Los Angeles County, CA	Local Litigation	Plaintiff: Schaller, John		04/22/2002	
Ticketmaster L.L.C.	Los Angeles County, CA	Local Litigation	Plaintiff: Corinth Corp.		12/11/2006	
TNOW ENTERTAINMENT GROUP, INC.	Illinois	UCC-1	HEWLETT-PACKARD FINANCIAL SERVICES COMPANY	All equipment and software	08/01/2008	

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**SCHEDULE 8.02(b)****Existing Investments**

Please see Schedule 6.14.

**A. Capital Stock of Another Person**

<u>Current Legal Entities Owned</u>	<u>Record Owner</u>	<u>No. Shares/ Percentage Interest</u>
Adventure Sport Events Limited	Gafrus Limited	50% Interest
Anti-Concerts Investments N.V.	Mojo Works BV	50% Interest
Antwerps Sportpaleis NV	Mojo Works BV	8.25% Interest
A.P.E. Radio, LLC	Front Line Management Group, Inc.	50% Membership Interest
AA Music Management, LLC	ILA Management, Inc.	50% Membership Interest
Bee & El LLC	Front Line Management Group, Inc.	50% Membership Interest
Bee & El Marketing Services LLC	Front Line Management Group, Inc.	50% Membership Interest
Beijing Gehua Live Nation Entertainment and Sports Company Limited	Live Nation International Holdings BV	50% Interest
Beijing Gehua Ticketmaster Ticketing Co. Ltd.	Ticketmaster New Ventures Holdings, Inc.	40% JV Agreement
Boom Management, LLC	Front Line Management Group, Inc.	50% Membership Interest
Broadway China Ventures, LLC	Ticketmaster New Ventures Holdings, Inc.	14.6% JV Agreement
Career Artist Management LLC	Front Line Management Group, Inc.	50% Membership Interest
Chastain Ventures JV	Live Nation Worldwide, Inc.	50% JV Interest
Consozio get Live In liquidazione	Live Nation Italia SRL	50% Interest
De Nationale Theaterkassa BV	Mojo Works BV	33.33% Interest
De Schone Schijn NV	Mojo Works BV	8.25% Interest
Doyle Kos Management LLC	Front Line Management Group, Inc.	50% Membership Interest
DS Artists Management LLC	Front Line Management Group, Inc.	50% Membership Interest
Festival Republic Media Limited	Gafrus Limited	50% Interest
Get Live 2 Srl	Live Nation Italia SRL	10% Interest
GVE Venture LLC	Front Line Management Group, Inc.	50% Membership Interest
Heavenly Planet LLP	Festival Republic Limited	50% Partnership Interest
Hilltop/Nederlander LLC	House of Blues Concerts, Inc.	50% Membership Interest

<u>Current Legal Entities Owned</u>	<u>Record Owner</u>	<u>No. Shares/ Percentage Interest</u>
Kenneth Crear Management LLC	Front Line Management Group, Inc.	50% Membership Interest
Larry Rudolph Management LLC	Front Line Management Group, Inc.	50% Membership Interest
LCB France	Live Nation Touring (USA), Inc.	50% Interest
Live 360 LLC	Front Line Management Group, Inc.	50% Membership Interest
Madrid Deportes Y Espectaculos SA	Live Nation Espana SAU	13.5% Interest
Mark Rothbaum & Associates, LLC	Front Line Management Group, Inc.	50% Membership Interest
Mick Artist Management LLC	Front Line Management Group, Inc.	50% Membership Interest
Mojo Theater BV	Mojo Works BV	43.5% Interest
Netzwerk Live, LLC	Live Nation Worldwide, Inc.	49% Membership Interest
Parcolimpico SRL	Get Live 2 Srl	70% Interest
Pointstar Limited	Live Nation (Theatrical) UK Limited	25% Interest
Pop Nation, LLC	Live Nation Worldwide, Inc.	50% Membership Interest
Rock in Rio Madrid SA	Live Nation Espana SAU	40% Interest
ROC Nation, LLC	Live Nation Worldwide, Inc.	50% Membership Interest
RPM Acquisition, LLC	Front Line Management Group, Inc.	50% Membership Interest
Santa's Kingdom (Scotland) Limited	Concerts at DF Limited	50% Interest
Spectacle Entertainment Group LLC	Front Line Management Group, Inc.	50% Membership Interest
StarRoc LLC	ROC Nation, LLC	50% Membership Interest
Strategic Artist Management LLC	Front Line Management Group, Inc.	50% Membership Interest
Unholy Alliance Limited	Concerts at DF Limited	50% Interest
Vector West LLC	Front Line Management Group, Inc.	50% Membership Interest
Venta de Boleta Por Computador	Ticketmaster New Ventures Ltd.	33.33% Interest
Welldone LR OY	Live Nation Finland OY	32% Interest
Windfield Promotions Limited	LN-Gaiety Holdings Limited	50% Interest

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**B. Loan, Advance or Capital Contribution to, Guaranty or Assumption of Debt of Another Person**

1. Please see guarantees listed on Schedule 8.03.
2. Ticketmaster Entertainment LLC guaranteed a \$3,250,000 line of credit granted to one of its clients in connection with the production of Broadway shows in China.
3. Live Nation International Holdings BV made an intercompany loan to a wholly-owned subsidiary, Friends & Partners, that was subsequently sold with the intercompany debt assumed by the buyer. The balance as of December 31, 2009 is \$1,146,640, and this investment is due to be repaid on June 30, 2010.

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**SCHEDULE 8.02(x)**

**Designated Investments**

1. Lansdowne Boston Restaurant Corp., Inc.
2. Tour Design Creative
3. Live Nation Canada, Inc.: Molson Canadian Amphitheatre and other related assets and revenue streams
4. O2 Dublin and related management agreement
5. Purchase of the Capital Stock of Career Artist Management, LLC ("CAM") not owned by the Consolidated Group so long as CAM becomes a Domestic Credit Party and the Parent would be in pro forma compliance with Section 8.10
6. Investments in ROC Nation, LLC in an amount not to exceed \$5.0 million

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**SCHEDULE 8.03****Existing Indebtedness**

1. Azoff Promissory Note
2. Letter of Credit issued outside of this Credit Agreement

<b><u>Obligor/Applicant</u></b>	<b><u>Beneficiary</u></b>	<b><u>Issuer</u></b>	<b><u>Principal Amount</u></b>
Live Nation Canada, Inc.	B.C Liquor Distribution Branch	RBC	CAD 20,000
Live Nation Canada, Inc.	Brewers Distribution	RBC	CAD 25,000
Live Nation Espana SAU	Rock In Rio Madrid	Caja Madrid	EUR 600,000
Ticketmaster LLC	Office of State Tax Commission	Wells Fargo Bank, N.A.	\$ 210,000
Ticketmaster LLC	NRT New York LLC D/B/A	Wells Fargo Bank, N.A.	\$ 115,276
TicketsNow.com, Inc.	Atrium Corporate Centre, LLC	Wells Fargo Bank, N.A.	\$ 200,000

3. Guarantees

<b><u>Obligor/Applicant</u></b>	<b><u>Beneficiary</u></b>	<b><u>Issuer</u></b>	<b><u>Principal Amount</u></b>
Live Nation Espana SAU	Rock in Rio	Caja Madrid	EUR 14,400.00
Live Nation Espana SAU	Rock in Rio	Caja Madrid	EUR 411,701.00
Live Nation Espana SAU	MDYE	Caja Madrid	EUR 148,500.00
Live Nation Espana SAU	MDYE	Caja Madrid	EUR 175,500.00
Gamerco S.A.	IMDER	Caja Madrid	EUR 540,000.00
Live Nation Espana SAU	MDYE	Caja De Ahorros	EUR 67,500.00
Live Nation Espana SAU	Rock In Rio Madrid	Caja Madrid	EUR 600,000.00

4. Please see attached.



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**SCHEDULE 8.05**

**Designated Assets**

1. Live Nation Holdco #1, Inc. and/or its assets, including the Hilton Theatre
2. House of Blues and/or its assets
3. The V.I.P. Tour Company, its subsidiaries and/or assets
4. Cirkus (Stockholm, Sweden)
5. GetMeIn! Limited and/or its assets

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**SCHEDULE 8.06(b)**

**Certain Restricted Payments**

1. Front Line Management Group, Inc.
2. Vector Management, LLC
3. Echomusic, LLC
4. TM Deutschland GmbH
5. Ticketmaster Entertainment China Holding Co. Limited

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**SCHEDULE 11.02**

**Notice Addresses**

**Parent Borrower**

Live Nation Entertainment, Inc.  
9438 Civic Center Drive  
Beverly Hills, CA 90210  
Attn: Chief Financial Officer and General Counsel  
Phone: (310) 867-7000  
Fax: (310) 867-7158  
Website: <http://www.livenation.com>  
Email as separately provided to Administrative Agent.

**Administrative Agent**

JPMorgan Chase Bank, N.A.  
JPMorgan Loan Services  
1111 Fannin Street, 10<sup>th</sup> Floor  
TX2-  
F046  
Houston, TX 77002  
Attn: Shadia O. Aminu  
Phone: (713) 750-7933  
Fax: (713) 750-2878  
Email: [shadia.o.aminu@jpmchase.com](mailto:shadia.o.aminu@jpmchase.com)

With copy to:

JPMorgan Chase Bank, N.A.  
383 Madison Avenue, Floor 24  
New York, NY 10179  
Attn: Tina Ruyter  
Fax: (212) 270-5127

**Collateral Agent**

JPMorgan Chase Bank, N.A.  
JPMorgan Loan Services  
1111 Fannin Street, 10th Floor  
TX2-F138  
Houston, TX 77002  
Attn: Evelyne P. Dixon (Document Management)  
Fax: (713) 750-2309  
Attn: Elizabeth Rarich (Negotiable Collateral)  
Fax: (713) 750-3757

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**Canadian Agent**

JPMorgan Chase Bank, N.A.  
JPMorgan Loan Services  
1111 Fannin Street, 10<sup>th</sup> Floor  
TX2-F046  
Houston, TX 77002  
Attn: Carla Kinney  
Fax: (713) 374-4312

With copy to:

JPMorgan Chase Bank, N.A.  
383 Madison Avenue, Floor 24  
New York, NY 10179  
Attn: Tina Ruyter  
Fax: (212) 270-5127

**London Agent**

JPMorgan Europe Limited  
125 London Wall  
London, United Kingdom EC2Y-5AJ  
Attn: Belinda Lucas  
Fax: 011-44-207-777-2360

With copy to:

JPMorgan Chase Bank, N.A.  
383 Madison Avenue, Floor 24  
New York, NY 10179  
Attn: Tina Ruyter  
Fax: (212) 270-5127

**Swingline Lender**

JPMorgan Chase Bank, N.A.  
Loan and Agency Services Group  
1111 Fannin Street, 10th Floor  
TX2-F046  
Houston, TX 77002  
Attn: Shadia O. Aminu  
Phone: (713) 750-7933  
Fax: (713) 750-2878  
Email: shadia.o.aminu@jpmchase.com

With copy to:

JPMorgan Chase Bank, N.A.  
383 Madison Avenue, Floor 24  
New York, NY 10179  
Attn: Tina Ruyter  
Fax: (212) 270-5127

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**Issuing Banks**

JPMorgan Chase Bank, N.A.  
10420 Highland Manor Drive, Floor 4  
Tampa, FL 33610-9128  
Attn: Letter of Credit Department  
Fax: (813) 432-5162

Deutsche Bank A.G., New York Branch  
60 Wall Street, 24th Floor  
New York, NY 10005  
Attn: Ann Thompson  
Phone: (212) 250-9639  
Fax: (212) 797-0780  
Email: [ann.thompson@db.com](mailto:ann.thompson@db.com)

**CERTIFICATION**

I, Michael Rapino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Live Nation Entertainment, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) 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(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2010

By: /s/ Michael Rapino  
Michael Rapino  
President and Chief Executive Officer

**CERTIFICATION**

I, Kathy Willard, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Live Nation Entertainment, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) 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(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2010

By: /s/ Kathy Willard  
Kathy Willard  
Chief Financial Officer

EXHIBIT 32.1 – SECTION 1350 CERTIFICATION OF CHIEF EXECUTIVE OFFICER

In connection with this Quarterly Report of Live Nation Entertainment, Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2010 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Michael Rapino, President 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.

Date: August 5, 2010

By: /s/ Michael Rapino  
Michael Rapino  
President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.



EXHIBIT 32.2 – SECTION 1350 CERTIFICATION OF CHIEF FINANCIAL OFFICER

In connection with this Quarterly Report of Live Nation Entertainment, Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2010 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Kathy Willard, 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.

Date: August 5, 2010

By: /s/ Kathy Willard  
Kathy Willard  
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.