
**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, 2026

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: 001-34177



**WARNER BROS.
DISCOVERY**

Warner Bros. Discovery, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

230 Park Avenue South
New York, New York
(Address of principal executive offices)

35-2333914
(I.R.S. Employer
Identification No.)

10003
(Zip Code)

(212) 548-5555
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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

<u>Title of Each Class</u>	<u>Trading Symbols</u>	<u>Name of Each Exchange on Which Registered</u>
Series A Common Stock	WBD	The Nasdaq Global Select Market
4.302% Senior Notes due 2030	WBDI30, WBDI30A	The Nasdaq Global Market
4.693% Senior Notes due 2033	WBDI33, WBDI33A	The Nasdaq Global Market

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

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

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act. (Check one):

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

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

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

Total number of shares outstanding of each class of the Registrant’s common stock as of July 23, 2026:

Series A Common Stock, par value \$0.01 per share	2,510,703,314
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WARNER BROS. DISCOVERY, INC.
FORM 10-Q
TABLE OF CONTENTS

	<u>Page</u>
<u>PART I. FINANCIAL INFORMATION.</u>	
<u>ITEM 1. Unaudited Financial Statements.</u>	
<u>Consolidated Statements of Operations.</u>	<u>4</u>
<u>Consolidated Statements of Comprehensive (Loss) Income.</u>	<u>5</u>
<u>Consolidated Balance Sheets.</u>	<u>6</u>
<u>Consolidated Statements of Cash Flows.</u>	<u>7</u>
<u>Consolidated Statements of Equity.</u>	<u>8</u>
<u>Notes to Consolidated Financial Statements.</u>	<u>10</u>
<u>ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.</u>	<u>35</u>
<u>ITEM 3. Quantitative and Qualitative Disclosures About Market Risk.</u>	<u>50</u>
<u>ITEM 4. Controls and Procedures.</u>	<u>50</u>
<u>PART II. OTHER INFORMATION.</u>	
<u>ITEM 1. Legal Proceedings.</u>	<u>51</u>
<u>ITEM 1A. Risk Factors.</u>	<u>52</u>
<u>ITEM 6. Exhibits.</u>	<u>53</u>
<u>SIGNATURES.</u>	<u>55</u>

PART I. FINANCIAL INFORMATION

ITEM 1. Unaudited Financial Statements.

WARNER BROS. DISCOVERY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited; in millions, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Distribution	\$ 4,950	\$ 4,885	\$ 9,856	\$ 9,771
Advertising	1,724	2,216	3,571	4,196
Content	1,828	2,471	3,715	4,337
Other	215	240	468	487
Total revenues	8,717	9,812	17,610	18,791
Costs and expenses:				
Costs of revenues, excluding depreciation and amortization	4,621	5,967	9,264	11,098
Selling, general and administrative	2,564	2,477	5,039	4,671
Netflix Termination Fee (See Note 1)	—	—	2,800	—
Depreciation and amortization	1,159	1,447	2,385	2,994
Restructuring and other charges	113	80	317	134
Impairments and loss on dispositions	23	26	37	116
Total costs and expenses	8,480	9,997	19,842	19,013
Operating income (loss)	237	(185)	(2,232)	(222)
Interest expense, net	(511)	(463)	(1,092)	(931)
(Loss) gain on extinguishment of debt, net	(75)	2,958	(102)	2,954
Income (loss) from equity investees, net	28	5	23	(2)
Other income, net	50	139	12	221
(Loss) income before income taxes	(271)	2,454	(3,391)	2,020
Income tax benefit (expense)	433	(866)	647	(881)
Net income (loss)	162	1,588	(2,744)	1,139
Net income attributable to noncontrolling interests	(13)	(7)	(23)	(15)
Net (income) loss attributable to redeemable noncontrolling interests	—	(1)	—	3
Net income (loss) available to Warner Bros. Discovery, Inc.	\$ 149	\$ 1,580	\$ (2,767)	\$ 1,127
Net income (loss) per share available to Warner Bros. Discovery, Inc. Series A common stockholders:				
Basic	\$ 0.06	\$ 0.64	\$ (1.11)	\$ 0.46
Diluted	\$ 0.06	\$ 0.63	\$ (1.11)	\$ 0.45
Weighted average shares outstanding:				
Basic	2,511	2,477	2,501	2,469
Diluted	2,575	2,499	2,501	2,500

The accompanying notes are an integral part of these consolidated financial statements.

WARNER BROS. DISCOVERY, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(unaudited; in millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income (loss)	\$ 162	\$ 1,588	\$ (2,744)	\$ 1,139
Other comprehensive income (loss):				
Currency translation, net of income tax benefit (expense) of \$4, \$(11), \$(10), and \$(101)	(46)	444	(264)	675
Pension plan and SERP liability, net of income tax benefit of \$—, \$—, \$2, and \$—	—	—	2	—
Derivatives				
Change in net unrealized (losses) gains	(8)	20	(34)	29
Less: Reclassification adjustment for net losses (gains) included in net income	8	5	15	(8)
Net change, net of income tax benefit (expense) of \$1, \$(9), \$6, and \$(10)	—	25	(19)	21
Comprehensive income (loss)	116	2,057	(3,025)	1,835
Comprehensive income attributable to noncontrolling interests	(13)	(9)	(22)	(20)
Comprehensive (income) loss attributable to redeemable noncontrolling interests	—	(1)	—	3
Comprehensive income (loss) attributable to Warner Bros. Discovery, Inc.	<u>\$ 103</u>	<u>\$ 2,047</u>	<u>\$ (3,047)</u>	<u>\$ 1,818</u>

The accompanying notes are an integral part of these consolidated financial statements.

WARNER BROS. DISCOVERY, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited; in millions, except par value)

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,369	\$ 4,566
Receivables, net	4,952	5,294
Prepaid expenses and other current assets	4,218	3,346
Total current assets	12,539	13,206
Film and television content rights and games	19,245	19,114
Property and equipment, net	6,652	6,685
Goodwill	25,861	25,933
Intangible assets, net	25,922	27,764
Other noncurrent assets	7,029	7,383
Total assets	\$ 97,248	\$ 100,085
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 1,060	\$ 1,093
Accrued liabilities	12,076	9,626
Deferred revenues	1,514	1,642
Current portion of debt	1,493	139
Total current liabilities	16,143	12,500
Noncurrent portion of debt	30,530	32,428
Deferred income taxes	5,579	6,383
Other noncurrent liabilities	11,001	11,608
Total liabilities	63,253	62,919
Commitments and contingencies (See Note 15)		
Redeemable noncontrolling interests	—	19
Warner Bros. Discovery, Inc. stockholders' equity:		
Series A common stock: \$0.01 par value; 10,800 and 10,800 shares authorized; 2,738 and 2,710 shares issued; and 2,508 and 2,480 shares outstanding	27	27
Preferred stock: \$0.01 par value; 1,200 and 1,200 shares authorized, 0 shares issued and outstanding	—	—
Additional paid-in capital	56,022	56,055
Treasury stock, at cost: 230 and 230 shares	(8,244)	(8,244)
Accumulated deficit	(14,279)	(11,512)
Accumulated other comprehensive loss	(688)	(407)
Total Warner Bros. Discovery, Inc. stockholders' equity	32,838	35,919
Noncontrolling interests	1,157	1,228
Total equity	33,995	37,147
Total liabilities and equity	\$ 97,248	\$ 100,085

The accompanying notes are an integral part of these consolidated financial statements.

WARNER BROS. DISCOVERY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited; in millions)

	Six Months Ended June 30,	
	2026	2025
Operating Activities		
Net (loss) income	\$ (2,744)	\$ 1,139
Adjustments to reconcile net income to cash provided by operating activities:		
Content rights amortization and impairment	5,088	6,851
Depreciation and amortization	2,385	2,994
Deferred income taxes	(812)	(471)
Share-based compensation expense	342	298
Loss (gain) on extinguishment of debt	102	(2,954)
Impairments and loss on dispositions	37	116
Netflix Termination Fee accrual (See Note 1)	2,800	—
Other, net	42	(85)
Changes in operating assets and liabilities, net of acquisitions and dispositions:		
Receivables, net	278	(460)
Film and television content rights, games, and production payables, net	(5,527)	(6,314)
Accounts payable, accrued liabilities, deferred revenues and other noncurrent liabilities	(833)	(141)
Foreign currency, prepaid expenses and other assets, net	(518)	563
Cash provided by operating activities	640	1,536
Investing Activities		
Purchases of property and equipment	(544)	(532)
Proceeds from sales of investments	9	54
Investments in and advances to equity investees	(25)	(26)
Proceeds from asset dispositions	—	66
Other investing activities, net	61	7
Cash used in investing activities	(499)	(431)
Financing Activities		
Principal repayments of debt, including premiums and discounts to par value	(15,373)	(20,403)
Borrowings from debt, net of discount and issuance costs	14,781	18,303
Distributions to noncontrolling interests and redeemable noncontrolling interests	(144)	(174)
Proceeds from the formation of music catalog joint venture	—	601
Borrowings under commercial paper program and revolving credit facility	1,261	3,551
Repayments under commercial paper program and revolving credit facility	(1,261)	(3,551)
Principal repayments of finance and other lease obligations	(120)	(101)
Cash paid to settle share-based awards, net	(451)	(117)
Other financing activities, net	34	5
Cash used in financing activities	(1,273)	(1,886)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(65)	256
Net change in cash, cash equivalents, and restricted cash	(1,197)	(525)
Cash, cash equivalents, and restricted cash, beginning of period	4,570	5,416
Cash, cash equivalents, and restricted cash, end of period	\$ 3,373	\$ 4,891

The accompanying notes are an integral part of these consolidated financial statements.

WARNER BROS. DISCOVERY, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(unaudited; in millions)

	Warner Bros. Discovery, Inc. Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Loss	Warner Bros. Discovery, Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity
	Shares	Par Value							
December 31, 2025	2,710	\$ 27	\$ 56,055	\$ (8,244)	\$ (11,512)	\$ (407)	\$ 35,919	\$ 1,228	\$ 37,147
Net (loss) income available to Warner Bros. Discovery, Inc. and attributable to noncontrolling interests	—	—	—	—	(2,916)	—	(2,916)	10	(2,906)
Other comprehensive loss	—	—	—	—	—	(235)	(235)	(1)	(236)
Net share-based plan activity	27	—	(187)	—	—	—	(187)	—	(187)
Dividends paid to noncontrolling interests	—	—	—	—	—	—	—	(127)	(127)
Redeemable noncontrolling interest adjustments to redemption value	—	—	(3)	—	—	—	(3)	—	(3)
Reclassification associated with the expiration of put rights	—	—	—	—	—	—	—	19	19
March 31, 2026	2,737	\$ 27	\$ 55,865	\$ (8,244)	\$ (14,428)	\$ (642)	\$ 32,578	\$ 1,129	\$ 33,707
Net income available to Warner Bros. Discovery, Inc. and attributable to noncontrolling interests	—	—	—	—	149	—	149	13	162
Other comprehensive loss	—	—	—	—	—	(46)	(46)	—	(46)
Net share-based plan activity	1	—	157	—	—	—	157	—	157
Dividends paid to noncontrolling interests	—	—	—	—	—	—	—	(14)	(14)
Contribution to joint venture	—	—	—	—	—	—	—	29	29
June 30, 2026	2,738	\$ 27	\$ 56,022	\$ (8,244)	\$ (14,279)	\$ (688)	\$ 32,838	\$ 1,157	\$ 33,995

The accompanying notes are an integral part of these consolidated financial statements.

WARNER BROS. DISCOVERY, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(unaudited; in millions)

	Warner Bros. Discovery, Inc. Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Deficit	Accumulated Other Comprehensive Loss	Warner Bros. Discovery, Inc. Stockholders' Equity	Noncontrolling Interests	Total Equity
	Shares	Par Value							
December 31, 2024	2,684	\$ 27	\$ 55,560	\$ (8,244)	\$ (12,239)	\$ (1,067)	\$ 34,037	\$ 792	\$ 34,829
Net (loss) income available to Warner Bros. Discovery, Inc. and attributable to noncontrolling interests	—	—	—	—	(453)	—	(453)	8	(445)
Other comprehensive income	—	—	—	—	—	227	227	3	230
Net share-based plan activity	19	—	41	—	—	—	41	—	41
Dividends paid to noncontrolling interests	—	—	—	—	—	—	—	(147)	(147)
Redeemable noncontrolling interest adjustments to redemption value	—	—	(3)	—	—	—	(3)	—	(3)
Reclassification associated with the expiration of put rights	—	—	—	—	—	—	—	74	74
Formation of music catalog joint venture	—	—	(13)	—	—	—	(13)	582	569
March 31, 2025	2,703	\$ 27	\$ 55,585	\$ (8,244)	\$ (12,692)	\$ (840)	\$ 33,836	\$ 1,312	\$ 35,148
Net income available to Warner Bros. Discovery, Inc. and attributable to noncontrolling interests	—	—	—	—	1,580	—	1,580	7	1,587
Other comprehensive income	—	—	—	—	—	469	469	2	471
Net share-based plan activity	2	—	164	—	—	—	164	—	164
Dividends paid to noncontrolling interests	—	—	—	—	—	—	—	(16)	(16)
Tax gain on formation of music catalog joint venture	—	—	—	—	—	—	—	(31)	(31)
June 30, 2025	2,705	\$ 27	\$ 55,749	\$ (8,244)	\$ (11,112)	\$ (371)	\$ 36,049	\$ 1,274	\$ 37,323

The accompanying notes are an integral part of these consolidated financial statements.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Description of Business

Warner Bros. Discovery, Inc. (“Warner Bros. Discovery”, “WBD”, the “Company”, “we”, “us” or “our”) is a leading global media and entertainment company that creates and distributes a differentiated and comprehensive portfolio of content and products across television, film, streaming, interactive gaming, publishing, themed experiences, and consumer products through brands including: Discovery Channel, HBO Max, CNN, DC Studios, TNT Sports, HBO, Food Network, TLC, TBS, Warner Bros. Motion Picture Group, Warner Bros. Television Group, Warner Bros. Games, Adult Swim, Turner Classic Movies, and others.

Termination of Netflix Merger

On January 19, 2026, the Company entered into an amended and restated agreement and plan of merger, by and among the Company, Netflix, Inc. (“Netflix”), Nightingale Sub, Inc., a wholly owned subsidiary of Netflix, and New Topco 25, Inc., a wholly owned subsidiary of WBD (the “Netflix Merger Agreement”), pursuant to which Netflix would have acquired the Streaming and Studios segments (subject to certain deviations) and certain other assets and liabilities, including the Company’s film and television studios, HBO Max, and HBO, following the separation and distribution of Discovery Global to the Company’s stockholders (the “Separation Transaction”).

Following the board of directors’ determination that it had received a “Company Superior Proposal,” as defined in the Netflix Merger Agreement, from Paramount Skydance Corporation (“PSKY”) and Netflix’s waiver of its right to propose revisions to the Netflix Merger Agreement, on February 27, 2026, in accordance with the terms of the Netflix Merger Agreement, the Company terminated the Netflix Merger Agreement in connection with entering into the PSKY Merger Agreement (as defined below). As a result of the termination of the Netflix Merger Agreement, PSKY, on behalf of the Company, paid Netflix a termination fee of \$2.8 billion in cash (the “Netflix Termination Fee”) as required by the terms of the Netflix Merger Agreement. In the first quarter of 2026, the Company recorded an expense for the Netflix Termination Fee in the consolidated statements of operations. The amount paid by PSKY is reimbursable by the Company to PSKY in certain circumstances in the event the PSKY Merger Agreement is terminated and has been recorded in accrued liabilities in the consolidated balance sheets.

PSKY Merger

On February 27, 2026, the Company entered into an Agreement and Plan of Merger, by and among the Company, PSKY and Prince Sub Inc., a wholly owned subsidiary of PSKY (“Merger Sub”) (as may be amended from time to time, the “PSKY Merger Agreement”), pursuant to which and subject to the terms and conditions therein, at the effective time, Merger Sub will merge with and into WBD, with WBD surviving as a wholly owned subsidiary of PSKY (the “PSKY Merger”).

Upon completion of the PSKY Merger, each issued and outstanding share of WBD’s Series A common stock (“WBD Common Stock”) (subject to certain exceptions) will be converted into the right to receive an amount in cash equal to \$31.00, without interest, plus, if the closing date of the PSKY Merger occurs after September 30, 2026, the Ticking Consideration (together, the “Merger Consideration”). The “Ticking Consideration” will be an amount in cash equal to \$0.00277778 multiplied by the number of calendar days elapsed after September 30, 2026 to and including the closing date (which, for the avoidance of doubt, will not exceed \$0.25 per 90 calendar day period).

Concurrently with the execution of the PSKY Merger Agreement, Larry J. Ellison and an affiliated trust entered into a guarantee in favor of WBD to, among other things, jointly and severally guarantee certain payments by PSKY under the PSKY Merger Agreement, including \$45.72 billion of the aggregate Merger Consideration, and assist WBD with the consummation of the PSKY Merger.

On April 23, 2026, WBD stockholders approved the adoption of the PSKY Merger Agreement. In July 2026, two lawsuits were filed in the United States District Court for the Northern District of California by a coalition of twelve state attorneys general and the Writers Guild of America West and Writers Guild of America East seeking to block the PSKY Merger, alleging the transaction would violate Section 7 of the Clayton Act by reducing competition in key markets. On July 24, 2026, defendants agreed not to complete the PSKY Merger until the earlier of (i) five days after the merits determination in these matters or (ii) June 1, 2027. (See Note 15.) The outcome of such litigation is uncertain and could prevent the completion of the PSKY Merger.

The completion of the PSKY Merger is subject to customary closing conditions, including regulatory clearances. In addition, PSKY’s obligation to consummate the PSKY Merger is subject to WBD not having completed the separation of its Streaming & Studios business from its Global Linear Networks business nor having declared or made any dividend to WBD’s stockholders to effectuate the separation. There can be no assurance that the PSKY Merger will occur in accordance with the expected plans or anticipated timeline, or at all.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

The PSKY Merger Agreement contains certain customary termination rights for WBD and PSKY, including, without limitation, a right for either party to terminate if the PSKY Merger is not completed on or before March 4, 2027, subject to an extension to June 4, 2027 in certain circumstances as specified in the PSKY Merger Agreement. Termination under specified circumstances will require WBD to pay PSKY a termination fee of \$3.0 billion and reimburse PSKY for (i) any payment made by PSKY, which will in no event be more than \$1,528 million, in connection with WBD's obligation to complete the Junior Lien Exchange Offer (as defined below) by March 4, 2027 and (ii) the Netflix Termination Fee, or PSKY to pay WBD a termination fee of \$7.0 billion. Additionally, the PSKY Merger Agreement provides for customary pre-closing covenants of WBD, including covenants relating to conducting its business in the ordinary course consistent with past practice and to refrain from taking certain actions without PSKY's consent.

Reportable Segments

As of June 30, 2026, we classified our operations in three reportable segments:

- **Streaming** - Our Streaming segment primarily consists of our premium pay-TV and streaming services.
- **Studios** - Our Studios segment primarily consists of the production and release of feature films for initial exhibition in theaters, production and initial licensing of television programs to third parties and our networks/streaming services, distribution of our films and television programs to various third party and internal television and streaming services, distribution through the home entertainment market (physical and digital), related consumer products and themed experience licensing, and interactive gaming.
- **Global Linear Networks** - Our Global Linear Networks segment primarily consists of our domestic and international television networks.

Our segment presentation is aligned with our management structure and the financial information management uses to make decisions about operating matters, such as the allocation of resources and business performance assessments.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries in which a controlling interest is maintained, including variable interest entities ("VIE") for which the Company is the primary beneficiary. Intercompany accounts and transactions between consolidated entities have been eliminated.

Unaudited Interim Financial Statements

These consolidated financial statements are unaudited; however, in the opinion of management, they reflect all adjustments consisting only of normal recurring adjustments necessary to state fairly the financial position, results of operations and cash flows for the periods presented in conformity with U.S. GAAP applicable to interim periods. The results of operations for the interim periods presented are not necessarily indicative of results for the full year or future periods. These consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K").

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results may differ from these estimates.

Accounting and Reporting Pronouncements Adopted

Credit Losses

In July 2025, the Financial Accounting Standards Board ("FASB") issued guidance which provides a practical expedient to simplify the estimation of expected credit losses by assuming that current conditions as of the balance sheet do not change for the remaining life of the asset. This guidance is effective for interim and annual periods beginning after December 15, 2025, and the standard is to be applied prospectively. The Company elected not to apply the practical expedient in its expected credit losses calculation, therefore, there was no impact on its consolidated financial statements.

Accounting and Reporting Pronouncements Not Yet Adopted

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued guidance updating the disclosure requirements for income statement expenses, primarily through disaggregation of certain types of expenses presented on the income statement. The amendments are effective for fiscal years beginning after December 15, 2026 and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The amendments may be applied either: (1) prospectively to financial statements issued for reporting periods after the effective date, or (2) retrospectively to all prior periods presented in the financial statements. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements and disclosures.

Accounting for Internal-Use Software

In September 2025, the FASB issued guidance which amends the existing standard for internal-use software to remove all references to prescriptive and sequential software development project stages. Under this guidance, eligible software development costs will begin capitalization when management has authorized and committed to funding the software project, and it is probable that the project will be completed, and the software will be used to perform the function intended. This guidance may be applied prospectively, retrospectively, or with a modified transition approach, and is effective for all annual periods beginning after December 15, 2027, and for interim periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements and disclosures.

Derivatives and Hedging and Revenue from Contracts with Customers

In September 2025, the FASB issued guidance that amends existing standards for derivatives and hedging (“Topic 815”) and revenue from contracts with customers (“Topic 606”). The guidance refines the scope of Topic 815 to clarify which contracts are subject to derivative accounting. The guidance also provides clarification under Topic 606 for share-based payments from a customer in a revenue contract. This guidance may be applied prospectively or with a modified retrospective approach, and is effective for all annual periods beginning after December 15, 2026, and for interim periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements and disclosures.

Derivatives and Hedging: Hedge Accounting Improvements

In November 2025, the FASB issued guidance that improves hedge accounting guidance by clarifying certain aspects and aligning hedge accounting more closely with the economics of an entity’s risk management activities. The update is effective for annual reporting periods beginning after December 15, 2026, and for interim periods within those annual reporting periods, with early adoption permitted. The updates should be applied prospectively for all hedging relationships as of the date of adoption. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements and disclosures.

NOTE 2. GOODWILL AND INTANGIBLE ASSETS

We perform fair value-based impairment tests of goodwill and intangible assets on an annual basis, and between annual tests if an event occurs or if circumstances change that would more likely than not reduce the fair value of a reporting unit or an intangible asset below its carrying value.

During the six months ended June 30, 2026, the Company performed goodwill and intangible assets impairment monitoring procedures for all of its reporting units and identified no indicators of impairment.

The Company continues to monitor its reporting units for triggers that could impact the recoverability of goodwill. Long-term trends and risks the Company is monitoring in its ongoing assessment include, but are not limited to, the following:

- uncertainty related to the PSKY Merger;
- uncertainty related to affiliate rights renewals associated with the Company’s Global Linear Networks and Streaming reporting units;
- declining levels of global GDP growth and continued softness in the U.S. linear advertising market associated with the Company’s Global Linear Networks reporting unit;
- increased competition for advertising expenditures associated with the Company’s Global Linear Networks and Streaming reporting units as a result of an increase in digital advertising inventory available in the marketplace;
- content licensing trends and volatility related to the performance of theatrical film and game slates in the Company’s Studios reporting unit; and
- risks in executing the projected growth strategies of the Company’s Streaming reporting unit.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 3. RESTRUCTURING AND OTHER CHARGES

The Company periodically initiates restructuring programs, which may include, among other things, strategic content programming assessments, organizational restructuring, employee retention, facility consolidation activities, other contract termination costs, and consulting fees related to the previously announced Separation Transaction and the PSKY Merger. During 2025, the Company initiated restructuring plans related to the previously proposed Separation Transaction.

Restructuring and other charges by reportable segments and corporate and inter-segment eliminations were as follows (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Streaming	\$ 18	\$ 7	\$ 44	\$ 19
Studios	14	(1)	23	(6)
Global Linear Networks	33	25	75	41
Corporate and inter-segment eliminations	48	49	175	80
Total restructuring and other charges	\$ 113	\$ 80	\$ 317	\$ 134

During the three and six months ended June 30, 2026, restructuring and other charges were primarily related to organization restructuring costs, employee retention, and consulting fees related to the previously announced Separation Transaction and the PSKY Merger. During the three and six months ended June 30, 2025, restructuring and other charges were primarily related to organization restructuring costs and consulting fees.

Changes in restructuring liabilities recorded in accounts payable, accrued liabilities, and other noncurrent liabilities by major category and by reportable segment and corporate were as follows (in millions).

	Streaming	Studios	Global Linear Networks	Corporate	Total
December 31, 2025	\$ 23	\$ 58	\$ 69	\$ 127	\$ 277
Contract termination accruals, net	—	—	—	12	12
Employee termination accruals, net	2	9	11	(2)	20
Employee retention, net	31	20	63	63	177
Consulting fees and other accruals and adjustments	11	(6)	1	102	108
Cash paid	(28)	(14)	(50)	(197)	(289)
June 30, 2026	\$ 39	\$ 67	\$ 94	\$ 105	\$ 305

NOTE 4. REVENUES

The following tables present the Company's revenues disaggregated by revenue source (in millions).

	Three Months Ended June 30, 2026				
	Streaming	Studios	Global Linear Networks	Corporate and Inter-segment Eliminations	Total
Revenues:					
Distribution	\$ 2,689	\$ 4	\$ 2,265	\$ (8)	\$ 4,950
Advertising	306	—	1,429	(11)	1,724
Content	84	2,125	261	(642)	1,828
Other	—	199	36	(20)	215
Total	\$ 3,079	\$ 2,328	\$ 3,991	\$ (681)	\$ 8,717

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Three Months Ended June 30, 2025					
	Streaming	Studios	Global Linear Networks	Corporate and Inter-segment Eliminations	Total
Revenues:					
Distribution	\$ 2,410	\$ 1	\$ 2,477	\$ (3)	\$ 4,885
Advertising	282	—	1,953	(19)	2,216
Content	102	3,591	287	(1,509)	2,471
Other	(1)	209	86	(54)	240
Total	<u>\$ 2,793</u>	<u>\$ 3,801</u>	<u>\$ 4,803</u>	<u>\$ (1,585)</u>	<u>\$ 9,812</u>

Six Months Ended June 30, 2026					
	Streaming	Studios	Global Linear Networks	Corporate and Inter-segment Eliminations	Total
Revenues:					
Distribution	\$ 5,222	\$ 5	\$ 4,638	\$ (9)	\$ 9,856
Advertising	590	—	2,999	(18)	3,571
Content	152	5,059	607	(2,103)	3,715
Other	2	389	124	(47)	468
Total	<u>\$ 5,966</u>	<u>\$ 5,453</u>	<u>\$ 8,368</u>	<u>\$ (2,177)</u>	<u>\$ 17,610</u>

Six Months Ended June 30, 2025					
	Streaming	Studios	Global Linear Networks	Corporate and Inter-segment Eliminations	Total
Revenues:					
Distribution	\$ 4,739	\$ 2	\$ 5,035	\$ (5)	\$ 9,771
Advertising	519	1	3,711	(35)	4,196
Content	190	5,730	667	(2,250)	4,337
Other	1	382	164	(60)	487
Total	<u>\$ 5,449</u>	<u>\$ 6,115</u>	<u>\$ 9,577</u>	<u>\$ (2,350)</u>	<u>\$ 18,791</u>

Contract Liabilities and Contract Assets

The following table presents contract liabilities on the consolidated balance sheets (in millions).

Category	Balance Sheet Location	June 30, 2026	December 31, 2025
Contract liabilities	Deferred revenues	\$ 1,514	\$ 1,642
Contract liabilities	Other noncurrent liabilities	342	355

For the six months ended June 30, 2026 and 2025, respectively, revenues of \$1,135 million and \$1,003 million were recognized that were included in deferred revenues as of December 31, 2025 and December 31, 2024, respectively. Contract assets were not material as of June 30, 2026 and December 31, 2025.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Remaining Performance Obligations

The following table presents a summary of revenue expected to be recognized from remaining performance obligations by contract type (in millions).

Contract Type	June 30, 2026	Duration
Distribution - fixed price or minimum guarantee	\$ 2,657	Through 2030
Content licensing and sports sublicensing	4,714	Through 2032
Brand licensing	4,688	Through 2062
Advertising	873	Through 2032
Other	126	Through 2029
Total	<u>\$ 13,058</u>	

The value of unsatisfied performance obligations disclosed above does not include: (i) variable consideration for which revenues are recognized in accordance with the sales or usage-based royalty exception, which typically have a similar duration as the contracts disclosed above, and (ii) contracts with an original expected length of one year or less, such as most advertising contracts; however for content licensing revenues, including revenues associated with the licensing of theatrical and television product for television, streaming services, and games, the Company has included all contracts regardless of duration.

NOTE 5. SALES OF RECEIVABLES

Revolving Receivables Program

During three months ended June 30, 2026, the Company amended its revolving receivables program to reduce the facility limit to \$4,000 million and extend the program to June 2027. The outstanding portfolio of receivables derecognized from our consolidated balance sheet was \$3,900 million and \$3,700 million as of June 30, 2026 and December 31, 2025, respectively.

The Company recognized \$34 million and \$54 million for the three and six months ended June 30, 2026, respectively, and \$56 million and \$92 million for the three and six months ended June 30, 2025, respectively, in selling, general and administrative expenses in the consolidated statements of operations from the revolving receivables program (net of non-designated derivatives). (See Note 9.)

The following table presents a summary of receivables sold (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Gross receivables sold/cash proceeds received	\$ 3,732	\$ 3,991	\$ 7,177	\$ 8,222
Collections reinvested under revolving receivables program	(3,682)	(4,240)	(6,977)	(8,360)
Net cash proceeds received (remitted)	<u>\$ 50</u>	<u>\$ (249)</u>	<u>\$ 200</u>	<u>\$ (138)</u>
Net receivables sold	\$ 3,718	\$ 3,985	\$ 7,134	\$ 8,190
Obligations recorded (Level 3)	\$ 86	\$ 97	\$ 153	\$ 200

The following table presents a summary of the amounts transferred or pledged, which were held at the Company's bankruptcy-remote consolidated subsidiary (in millions).

	June 30, 2026	December 31, 2025
Gross receivables pledged as collateral	\$ 2,238	\$ 2,632
Balance sheet classification:		
Receivables, net	\$ 1,804	\$ 2,230
Other noncurrent assets	\$ 434	\$ 402

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Accounts Receivable Factoring

No amounts were sold under the Company's factoring arrangement for the six months ended June 30, 2026. Total trade accounts receivable sold under the Company's factoring arrangement was \$102 million for the six months ended June 30, 2025. The impact to the consolidated statements of operations was immaterial for the three and six months ended June 30, 2026 and 2025. This accounts receivable factoring agreement is separate and distinct from the revolving receivables program.

NOTE 6. CONTENT RIGHTS

For purposes of amortization and impairment, capitalized production costs are grouped based on their predominant monetization strategy: individually or as a group. Live programming includes licensed sports rights and related advances. The tables below present the components of content rights (in millions).

	June 30, 2026		
	Predominantly Monetized Individually	Predominantly Monetized as a Group	Total
Production costs:			
Released, less amortization	\$ 3,061	\$ 6,295	\$ 9,356
Completed and not released	950	326	1,276
In production and other	2,092	1,837	3,929
Total production costs	\$ 6,103	\$ 8,458	\$ 14,561
Licensed content, live programming, and advances, net			4,800
Game development costs, less amortization			351
Total film and television content rights and games			19,712
Less: Current content rights and prepaid license fees, net			(467)
Total noncurrent film and television content rights and games			\$ 19,245

	December 31, 2025		
	Predominantly Monetized Individually	Predominantly Monetized as a Group	Total
Production costs:			
Released, less amortization	\$ 3,006	\$ 5,686	\$ 8,692
Completed and not released	1,109	521	1,630
In production and other	1,782	2,544	4,326
Total production costs	\$ 5,897	\$ 8,751	\$ 14,648
Licensed content, live programming, and advances, net			4,478
Game development costs, less amortization			310
Total film and television content rights and games			19,436
Less: Current content rights and prepaid license fees, net			(322)
Total noncurrent film and television content rights and games			\$ 19,114

Content amortization consisted of the following (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Predominantly monetized individually	\$ 582	\$ 645	\$ 982	\$ 1,225
Predominantly monetized as a group	1,933	3,033	3,990	5,563
Total content amortization	\$ 2,515	\$ 3,678	\$ 4,972	\$ 6,788

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Content expense includes amortization, impairments, and development expense and is generally a component of costs of revenues on the consolidated statements of operations. Content impairments were \$74 million and \$116 million, respectively, for the three and six months ended June 30, 2026. For the three and six months ended June 30, 2025, content impairments were \$28 million and \$63 million, respectively.

NOTE 7. INVESTMENTS

The Company's equity investments consisted of the following (in millions).

Category	Balance Sheet Location	Ownership	June 30, 2026	December 31, 2025
Equity method investments:				
The Chernin Group (TCG) 2.0-A, LP	Other noncurrent assets	44%	\$ 299	\$ 276
nC+	Other noncurrent assets	32%	140	153
Other	Other noncurrent assets		254	268
Total equity method investments			693	697
Investments without readily determinable fair values	Other noncurrent assets ^(a)		313	348
Total investments			<u>\$ 1,006</u>	<u>\$ 1,045</u>

^(a) Investments without readily determinable fair values included \$42 million and \$17 million as of June 30, 2026 and December 31, 2025, respectively, that was recorded in prepaid expenses and other current assets.

Equity Method Investments

Certain of the Company's other equity method investments are VIEs, for which the Company is not the primary beneficiary. As of June 30, 2026, the Company's maximum exposure for all of its unconsolidated VIEs, including the investment carrying values and unfunded contractual commitments made on behalf of VIEs, was approximately \$487 million. The Company's maximum estimated exposure excludes the non-contractual future funding of VIEs. The aggregate carrying values of these VIE investments were \$477 million and \$481 million as of June 30, 2026 and December 31, 2025, respectively. VIE gains and losses are recorded in income (loss) from equity investees, net on the consolidated statements of operations, and were not material for the three and six months ended June 30, 2026 and 2025.

Joint Venture

In January 2025, the Company contributed a 70% interest in its music catalog to a joint venture with Cutting Edge Group in exchange for net proceeds of \$601 million. In the first quarter of 2026, Cutting Edge Group received an additional 9% economic interest in the joint venture based on the results of certain operational metrics. The Company retained a controlling financial interest and consolidated the joint venture as a VIE. The Company has determined that it is the primary beneficiary of the joint venture as the Company has certain operational rights that significantly impact the economic performance of the business including exploitation of the catalog works and selection of the administrator. As the primary beneficiary, the Company includes the joint venture assets, liabilities and results of operations in the Company's consolidated financial statements. As of June 30, 2026, the carrying amounts of assets and liabilities of the consolidated VIE were not material.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 8. DEBT

The table below presents the components of outstanding debt (in millions).

	Weighted-Average Interest Rate as of June 30, 2026	June 30, 2026	December 31, 2025
Bridge loan	— %	\$ —	\$ 15,000
Term loans with maturities of 7 years	5.95 %	14,708	—
Senior notes with maturities of 5 years or less	3.92 %	6,543	6,659
Senior notes with maturities between 5 and 10 years	4.35 %	3,480	3,509
Senior notes with maturities greater than 10 years	5.17 %	7,671	7,677
Total debt		32,402	32,845
Unamortized discount, premium, debt issuance costs, and fair value adjustments for acquisition accounting, net		(379)	(278)
Debt, net of unamortized discount, premium, debt issuance costs, and fair value adjustments for acquisition accounting		32,023	32,567
Current portion of debt		(1,493)	(139)
Noncurrent portion of debt		\$ 30,530	\$ 32,428

On June 4, 2026, Discovery Global Holdings, Inc. (“DGH”) (formerly WarnerMedia Holdings, Inc.), a wholly-owned subsidiary of the Company, entered into that certain First Lien Credit Agreement (the “First Lien Credit Agreement”) among the Company, as holdco, DGH, as parent borrower, the designated subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A. (“JPM”), as U.S. administrative agent and collateral agent, and J.P. Morgan SE, as non-U.S. administrative agent. The First Lien Credit Agreement provides for (i) 7-year \$13,000 million U.S. dollar-denominated term loans (the “Initial Dollar Term Loans”) and (ii) 7-year €1,717 million Euro-denominated term loans (the “Initial Euro Term Loans” and, together with the Initial Dollar Term Loans, the “Initial Term Loans”).

On June 4, 2026, DGH borrowed the Initial Term Loans and used the net proceeds thereof, together with cash on the balance sheet, to repay in full \$15,000 million of outstanding loans under the Bridge Loan Agreement (as defined below), as amended by Amendment No. 1 (as defined below).

The Initial Dollar Term Loans bear interest, at DGH’s option, at (x) Term SOFR (as defined in the First Lien Credit Agreement) plus 2.50% per annum or (y) the Base Rate (as defined in the First Lien Credit Agreement) plus 1.50% per annum. The Initial Euro Term Loans bear interest at the EURIBOR Screen Rate (as defined in the First Lien Credit Agreement) plus 2.50% per annum. The Initial Term Loans mature on June 4, 2033, and the Initial Dollar Term Loans also amortize at 1.00% per annum (payable quarterly). The obligations of DGH under the First Lien Credit Agreement are (i) secured by a lien on substantially all of the assets of the Company, DGH and certain wholly-owned domestic subsidiaries of the Company, subject to certain exceptions, and on a pari passu basis with the Company’s existing revolving credit facility and (ii) guaranteed by the Company and certain of its wholly-owned domestic subsidiaries.

The First Lien Credit Agreement contains customary representations and warranties, as well as affirmative and negative covenants. Negative covenants include, among others, covenants that restrict the ability of the Company and certain of its subsidiaries to engage in mergers, consolidations and asset sales, incur debt and liens, enter into transactions with affiliates, enter into burdensome agreements, pay dividends and certain other restricted payments and make certain restricted investments, in each case, as set forth in the First Lien Credit Agreement and subject to certain thresholds and exceptions. The First Lien Credit Agreement does not contain any financial maintenance covenant. The First Lien Credit Agreement also contains customary and other mandatory prepayments with respect to the Initial Term Loans. Upon the occurrence of certain significant corporate events (including a change of control, such as the consummation of the previously disclosed proposed acquisition of the Company by PSKY) or certain other customary events constituting an event of default under the First Lien Credit Agreement, all loans outstanding under the First Lien Credit Agreement (including accrued interest and fees payable thereunder) may be declared immediately due and payable.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

On May 19, 2026, the Company's wholly-owned subsidiaries, DGH and Discovery Communications, LLC ("DCL", and together with DGH, the "Issuers"), commenced solicitations of consents (the "2026 Consent Solicitations") from holders of certain series of their senior notes to adopt proposed amendments (the "Proposed Amendments") to the indentures governing such notes (collectively, the "Existing WBD Indentures") to, among other things, extend the deadline to commence the Junior Lien Exchange Offer and modify the terms of the future junior lien notes (as defined below) contemplated by the offer to purchase and consent solicitation statement, dated as of June 9, 2025, including, if the PSKY Merger is consummated, removal of certain covenants, changes to guarantees and collateral requirements, and removal of the requirement that the same principal amount of junior lien notes be issued in exchange for the applicable existing senior notes.

On May 19, 2026, in connection with the PSKY Merger, PSKY commenced (i) offers to purchase (the "PSKY Tender Offers") for cash, upon the terms and subject to the conditions set forth in the related offer to purchase, certain notes issued by the Issuers of holders who validly deliver consents for such notes in the 2026 Consent Solicitations and (ii) offers to exchange (the "PSKY Exchange Offers"), upon the terms and subject to the conditions set forth in the related exchange offer memorandum, certain notes issued by the Issuers of holders who validly deliver consents for such notes in the 2026 Consent Solicitations (the "Existing Exchange Offer Notes") for notes to be newly issued by PSKY with the same currency, maturity date, interest payment dates and interest rates (with certain exceptions) as the corresponding Existing Exchange Offer Notes. The settlement date for the PSKY Tender Offers and PSKY Exchange Offers will occur promptly after the applicable expiration date and on or promptly following the closing date of the PSKY Merger. The PSKY Tender Offers and PSKY Exchange Offers are being made solely by PSKY and are not being made by WBD or the Issuers, and are subject to certain conditions, including consummation of the PSKY Merger.

On May 27, 2026, the Company announced that the Issuers had received the required consents in the 2026 Consent Solicitations for the adoption of the Proposed Amendments to the Existing WBD Indentures and entered into supplemental indentures amending the Existing WBD Indentures. In accordance with the PSKY Merger Agreement, PSKY paid the consent payments in the 2026 Consent Solicitations and related fees and expenses on the Issuers' behalf.

The Company repaid \$250 million of aggregate principal amount outstanding of the Initial Term Loans during the three months ended June 30, 2026 and repaid in full at maturity \$123 million of aggregate principal amounts outstanding of its senior notes due January and March 2026 during the three months ended March 31, 2026.

On February 18, 2026, DGH (the "Borrower"), together with JPMorgan Chase Bank, N.A., in its capacities as Administrative Agent and Collateral Agent, executed Amendment No. 1 ("Amendment No. 1") to the Non-Investment Grade Leveraged Bridge Loan Agreement dated June 26, 2025 (the "Bridge Loan Agreement"). Amendment No. 1 extended the maturity of the Borrower's outstanding bridge loans from the earlier of (i) December 30, 2026 and (ii) the completion of the previously proposed Separation Transaction to the earlier of (x) June 30, 2027 and (y) the date that the previously proposed Spin-Off (as defined in the Bridge Loan Agreement) occurs.

Under Amendment No. 1, all previously scheduled duration fees through June 30, 2026 remained unchanged, however, the duration fees payable on September 30, 2026 and December 31, 2026 were increased from 0.75% to 1.00% of the principal amount of outstanding loans on such dates. In addition, a new duration fee of 1.00% of the principal amount of outstanding loans would become payable on March 31, 2027.

Amendment No. 1 did not modify the mandatory prepayment provisions, guarantee structure, or collateral securing the bridge facility, all of which remained consistent with the Bridge Loan Agreement. The amendment also maintained the original representations and warranties, affirmative and negative covenants, events of default and continued to include no financial maintenance covenants.

During the three months ended June 30, 2025, the Company's wholly-owned subsidiaries, DCL, DGH, Warner Media, LLC, and Historic TW Inc. ("TWI"), commenced cash tender offers to purchase (the "Tender Offers") up to approximately \$14.6 billion in aggregate purchase price of their outstanding notes and debentures. In conjunction with the Tender Offers, DCL, DGH and TWI also commenced solicitations of consents (the "Consent Solicitations") from holders of substantially all of its outstanding notes and debentures to adopt certain proposed amendments to the indentures governing such notes and debentures, to, among other things, remove substantially all of the restrictive covenants and certain events of defaults under such indentures.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

To fund the Tender Offers and Consent Solicitations, as well as repay in full and terminate its \$1,500 million 364-day senior unsecured term loan facility, the Company and DGH entered into the Bridge Loan Agreement. The obligations under the Bridge Loan Agreement were secured by a lien on substantially all of the personal property assets of the Company, DGH, and certain of its wholly owned domestic subsidiaries and were guaranteed by the Company and certain of its wholly-owned domestic subsidiaries. Borrowings under the Bridge Loan Agreement bore interest at the Secured Overnight Financing Rate ("SOFR") plus (i) until December 30, 2025, 3.00% per annum, (ii) from December 31, 2025 until March 30, 2026, 3.50% per annum and (iii) from March 31, 2026 until the termination date of the Bridge Loan Agreement, 4.00%. Borrowings under the Bridge Loan Agreement, net of any prepayments, would become payable in full on the earlier of (i) December 30, 2026 and (ii) the date of the completion of the separation of the Company into two publicly traded companies. In addition, the Company would pay JPMorgan Chase Bank, N.A. as the administrative agent a duration fee equal to the applicable percentage of the aggregate principal amount of the loan outstanding on the following dates: on December 31, 2025, a fee rate of 0.30%; on each of March 31, 2026 and June 30, 2026, a fee rate of 0.50%; and on each of September 30, 2026 and December 31, 2026, a fee rate of 0.75%. On June 30, 2025, DGH drew \$17.0 billion of the available amount under the Bridge Loan Agreement to finance the early settlement of the Tender Offers, Consent Solicitations, and the repayment in full and termination of its \$1,500 million 364-day senior unsecured term loan facility, and the payment of fees and expenses therewith and for general corporate purposes. The Bridge Loan Agreement was expected to be refinanced prior to the separation of the Company into two publicly traded companies. The Bridge Loan Agreement contained customary representations and warranties, as well as affirmative and negative covenants. The Bridge Loan Agreement did not contain any financial maintenance covenant.

The Company completed the Tender Offers in June 2025 by purchasing senior notes and debentures in the aggregate principal amount of \$17.7 billion validly tendered and accepted for purchase pursuant to the Tender Offers and recorded a gain on extinguishment of approximately \$3.0 billion. The Company also paid \$293 million for the Consent Solicitations. Additionally, the Company repaid in full at maturity \$487 million of aggregate principal amount outstanding of its senior notes due June 2025.

During the three months ended March 31, 2025, the Company repaid in full at maturity \$2,165 million of aggregate principal amount outstanding of its senior notes due March 2025 and redeemed in full \$1,500 million aggregate principal amount outstanding of its senior notes due March 2026. The redemption was funded with the proceeds of borrowings pursuant to a \$1,500 million 364-day senior unsecured term loan credit facility.

We are obligated to cause certain of our subsidiaries to conduct one or more offers to exchange (collectively, the "Junior Lien Exchange Offer") certain of the senior notes issued by DGH and DCL, as applicable, for new junior lien secured notes with the same economic terms (including denominations, interest rate, interest payment dates, maturity date and redemption provisions) to be issued by DGH or DCL, as applicable (the "junior lien notes"). On May 26, 2026, following receipt of the requisite consents in the 2026 Consent Solicitations, the Issuers entered into supplemental indentures to the Existing WBD Indentures to adopt the Proposed Amendments, which, among other things, extended the deadline to commence the Junior Lien Exchange Offer from December 30, 2026 to the End Date (as defined in the PSKY Merger Agreement), which is March 4, 2027 (as such date may be extended by the parties to the PSKY Merger Agreement), provided that if the PSKY Merger Agreement is validly terminated on or prior to the End Date, such deadline will be the later of (i) December 30, 2026 and (ii) 90 days following the termination date (the "Exchange Offer Deadline"). If the Junior Lien Exchange Offer is not commenced by the Exchange Offer Deadline or the Junior Lien Exchange Offer is not completed within 60 days of commencement thereof, WBD will be required to pay to each holder of the applicable senior notes entitled to participate in the Junior Lien Exchange Offer a one-time cash payment in the amount of \$100 per \$1,000 principal amount or €100 per €1,000 principal amount, as applicable, of the applicable senior notes held by such holder, equal to an aggregate amount of approximately \$1.5 billion.

The PSKY Merger Agreement provides that, prior to October 15, 2026, PSKY may deliver one formal request (a "Specified Request") in writing to WBD requesting that WBD either, subject to certain exceptions, (i) commence and use reasonable best efforts to effectuate a consent solicitation (on terms mutually determined by PSKY and WBD in good faith) to eliminate the obligation to commence the Junior Lien Exchange Offer or otherwise modify the required terms of the Junior Lien Exchange Offer, (ii) commence and use reasonable best efforts to effectuate the Junior Lien Exchange Offer (on terms mutually determined by PSKY and WBD in good faith, subject to certain conditions) or (iii) make a payment in the amount of \$100 per \$1,000 principal amount or €100 per €1,000 principal amount of such outstanding senior notes in lieu of effectuating the Junior Lien Exchange Offer (the "Amended Notes Payment Amount"); provided that, if the Amended Notes Payment Amount becomes due and payable pursuant to the above, PSKY shall timely and fully pay such amount (such amount not to exceed \$1,528 million in the aggregate). On May 19, 2026, in connection with the 2026 Consent Solicitations, PSKY delivered the Specified Request to the Company.

As of June 30, 2026, all senior notes are fully and unconditionally guaranteed by the Company, Scripps Networks Interactive, Inc. ("Scripps Networks"), DCL (to the extent it is not the primary obligor on such senior notes), and DGH (to the extent it is not the primary obligor on such senior notes), except for \$171 million of senior notes related to the legacy WarnerMedia business (the "WarnerMedia Business").

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Revolving Credit Facility and Commercial Paper Programs

DCL and certain subsidiaries of the Company, as borrowers, have a multicurrency revolving credit agreement, which was amended in June 2025 (the “Credit Agreement”). The Credit Agreement provides for a senior revolving credit facility (the “Credit Facility”) with aggregate commitments of \$4,000 million and includes a \$150 million sublimit for the issuance of standby letters of credit. DCL may also request additional commitments up to \$1,000 million from the lenders upon the satisfaction of certain conditions. The obligations of the borrowers under the Credit Agreement are secured by the same collateral and have the benefit of the same guarantees as provided in respect of the First Lien Credit Agreement, as described above. The Credit Agreement is available on a revolving basis until October 2029, with an option for up to two additional 364-day renewal periods subject to the lenders’ consent, and provides for an early termination of the Credit Agreement upon completion of the previously proposed Separation Transaction.

Additionally, the Company’s commercial paper program is supported by the Credit Facility. Under the commercial paper program, the Company may issue up to \$2,000 million. In March 2025, the Company increased the issuance capacity under the commercial paper program from \$1,000 million to \$2,000 million. Borrowing capacity under the Credit Facility is effectively reduced by any outstanding borrowings under the commercial paper program.

As of June 30, 2026 and December 31, 2025, the Company and DCL had no outstanding borrowings under the Credit Facility or issuances under the commercial paper program.

The Credit Agreement contains customary representations and warranties as well as affirmative and negative covenants and requires maintenance of a minimum consolidated interest coverage ratio of 3.00 to 1.00 and a maximum consolidated leverage ratio of 4.50 to 1.00. As of June 30, 2026, the Company was in compliance with all applicable covenants and there were no events of default under the Credit Agreement.

NOTE 9. DERIVATIVE FINANCIAL INSTRUMENTS

In the normal course of business, the Company is exposed to foreign currency exchange rate market risk and interest rate fluctuations. As part of its risk management strategy, the Company uses derivative financial instruments, primarily foreign currency forward contracts, fixed-to-fixed currency swaps, total return swaps and interest rate swaps to hedge certain foreign currency, market value, and interest rate exposures. The Company’s objective is to reduce earnings volatility by offsetting gains and losses resulting from these exposures with losses and gains on the derivative contracts used to hedge them. The Company does not enter into or hold derivative financial instruments for speculative trading purposes.

There were no amounts eligible to be offset under master netting agreements as of June 30, 2026 and December 31, 2025. The fair value of the Company’s derivative financial instruments was determined using a market-based approach (Level 2). The following table summarizes the Company’s derivative financial instruments recorded on its consolidated balance sheets (in millions).

	June 30, 2026					December 31, 2025				
	Notional	Fair Value				Notional	Fair Value			
		Prepaid expenses and other current assets	Other non-current assets	Accounts payable and accrued liabilities	Other non-current liabilities		Prepaid expenses and other current assets	Other non-current assets	Accounts payable and accrued liabilities	Other non-current liabilities
Cash flow hedges:										
Foreign exchange	\$ 2,956	\$ 55	\$ 47	\$ 35	\$ 57	\$ 2,235	\$ 53	\$ 60	\$ 35	\$ 38
Net investment hedges: ^(a)										
Cross-currency swaps	222	3	—	—	5	452	7	—	—	21
No hedging designation:										
Foreign exchange	270	6	1	85	2	126	9	—	15	79
Cross-currency swaps	443	2	—	9	3	225	4	—	—	11
Total return swaps	533	—	—	—	—	501	—	—	—	—
Credit contracts	—	—	—	—	—	2,000	8	—	—	—
Total		<u>\$ 66</u>	<u>\$ 48</u>	<u>\$ 129</u>	<u>\$ 67</u>		<u>\$ 81</u>	<u>\$ 60</u>	<u>\$ 50</u>	<u>\$ 149</u>

^(a) Excludes €1,598 million and €781 million of euro-denominated notes (\$1,822 million and \$919 million equivalent) at June 30, 2026 and December 31, 2025, respectively, designated as a net investment hedge.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Derivatives Designated for Hedge Accounting

Cash Flow Hedges

The Company uses foreign exchange forward contracts to mitigate the foreign currency risk related to revenues, production rebates, and production expenses. As production spend occurs or when rebate receivables are recognized, foreign forward exchange contracts designated as cash flow hedges are de-designated. Upon de-designation, gains and losses on these derivatives directly impact earnings in the same line and same period as the hedged risk. These cash flow hedges are carried at fair market value on the Company's consolidated balance sheets. Hedge effectiveness is assessed using the spot method, with fair market value changes recorded in other comprehensive income (loss) until the hedged item affects earnings. Excluded components, including forward points, are included in current earnings.

The following table presents the pre-tax impact of derivatives designated as cash flow hedges on income and other comprehensive income (loss) (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Gains (losses) recognized in accumulated other comprehensive loss:				
Foreign exchange - derivative adjustments	\$ (12)	\$ 28	\$ (44)	\$ 42
Gains (losses) reclassified into income from accumulated other comprehensive loss:				
Foreign exchange - distribution revenue	(13)	(5)	(23)	(1)
Foreign exchange - costs of revenues	2	1	5	1
Interest rate - interest expense, net	—	(1)	(1)	(2)
Interest rate - loss (gain) on extinguishment of debt, net	—	(1)	—	(1)
Interest rate - other income, net	—	—	—	14

If current fair values of designated cash flow hedges as of June 30, 2026 remained static over the next twelve months, the amount the Company would reclassify from accumulated other comprehensive loss into income in the next twelve months would not be material for the current fiscal year. The maximum length of time the Company is hedging exposure to the variability in future cash flows is 29 years.

Net Investment Hedges

The Company is exposed to foreign currency risk associated with the net assets of non-USD functional entities and uses fixed-to-fixed cross currency swaps to mitigate this risk.

During the three months ended June 30, 2026, the Company designated €817 million of the Initial Euro Term Loans as a net investment hedge to mitigate the risk associated with the net assets of non-USD functional entities. (See Note 8).

The following table presents the pre-tax impact of derivatives and other instruments designated as net investment hedges on other comprehensive income (loss) (in millions). Other than amounts excluded from effectiveness testing, there were no other material gains (losses) reclassified from accumulated other comprehensive loss to income during the three and six months ended June 30, 2026 and 2025.

	Three Months Ended June 30,			
	Amount of gain (loss) recognized in AOCI		Amount of gain (loss) recognized in income on derivative (amount excluded from effectiveness testing)	
	2026	2025	2026	2025
Cross currency swaps	\$ 9	\$ (8)	Interest expense, net	\$ 3 \$ 3
Euro-denominated notes (foreign denominated debt)	21	(148)	N/A	— —
Total	\$ 30	\$ (156)		\$ 3 \$ 3

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

	Six Months Ended June 30,				
	Amount of gain (loss) recognized in AOCI		Location of gain (loss) recognized in income on derivative (amount excluded from effectiveness testing)	Amount of gain (loss) recognized in income on derivative (amount excluded from effectiveness testing)	
	2026	2025		2026	2025
Cross currency swaps	\$ 6	\$ (12)	Interest expense, net	\$ 6	\$ 6
Euro-denominated notes (foreign denominated debt)	43	(208)	N/A	—	—
Total	\$ 49	\$ (220)		\$ 6	\$ 6

Derivatives Not Designated for Hedge Accounting

The Company has deferred compensation plans that have risk related to the fair value gains and losses on these investments and uses total return swaps to mitigate this risk. The gains and losses associated with these swaps are recorded to selling, general and administrative expenses, offsetting the deferred compensation investment gains and losses.

During the year ended December 31, 2025, the Company entered into \$2,000 million notional amount of credit contract swaptions to mitigate the interest rate risk related to future issuances of debt related to the previously proposed Separation Transaction, which were unwound during the six months ended June 30, 2026 for an immaterial loss.

The Company is also exposed to the risk of secured overnight financing rate changes in connection with securitization fees on the receivables securitization program. To mitigate this risk, the Company entered into \$1,500 million notional of non-designated interest rate swaps in the first half of 2025. The gains and losses on these derivatives are recorded in selling, general and administrative expenses, offsetting securitization interest expense.

The following table presents the pretax gains (losses) on derivatives not designated as hedges and recognized in selling, general and administrative expense and other income, net in the consolidated statements of operations (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Interest rate swaps	\$ —	\$ (3)	\$ —	\$ (2)
Total return swaps	50	31	38	20
Total in selling, general and administrative expense	50	28	38	18
Cross-currency swaps	—	(6)	1	(7)
Credit contracts	—	—	(5)	—
Foreign exchange derivatives	15	25	17	34
Total in other income, net	15	19	13	27
Total	\$ 65	\$ 47	\$ 51	\$ 45

NOTE 10. FAIR VALUE MEASUREMENTS

Fair value is defined as the amount that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants. Assets and liabilities carried at fair value are classified in the following three categories:

- Level 1 — Quoted prices for identical instruments in active markets.
- Level 2 — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets.
- Level 3 — Valuations derived from techniques in which one or more significant inputs are unobservable.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

The tables below present assets and liabilities measured at fair value on a recurring basis (in millions).

Category	Balance Sheet Location	June 30, 2026			
		Level 1	Level 2	Level 3	Total
Assets					
Cash equivalents:					
Time deposits	Cash and cash equivalents	\$ —	\$ 61	\$ —	\$ 61
Equity securities:					
Money market fund	Cash and cash equivalents	51	—	—	51
Mutual funds	Prepaid expenses and other current assets	16	—	—	16
Company-owned life insurance contracts	Prepaid expenses and other current assets	—	2	—	2
Mutual funds	Other noncurrent assets	201	—	—	201
Company-owned life insurance contracts	Other noncurrent assets	—	106	—	106
Total		\$ 268	\$ 169	\$ —	\$ 437
Liabilities					
Deferred compensation plan	Accrued liabilities	\$ 62	\$ —	\$ —	\$ 62
Deferred compensation plan	Other noncurrent liabilities	722	—	—	722
Total		\$ 784	\$ —	\$ —	\$ 784

Category	Balance Sheet Location	December 31, 2025			
		Level 1	Level 2	Level 3	Total
Assets					
Cash equivalents:					
Time deposits	Cash and cash equivalents	\$ —	\$ 107	\$ —	\$ 107
Equity securities:					
Money market funds	Cash and cash equivalents	61	—	—	61
Mutual funds	Prepaid expenses and other current assets	14	—	—	14
Company-owned life insurance contracts	Prepaid expenses and other current assets	—	2	—	2
Mutual funds	Other noncurrent assets	205	—	—	205
Company-owned life insurance contracts	Other noncurrent assets	—	105	—	105
Total		<u>\$ 280</u>	<u>\$ 214</u>	<u>\$ —</u>	<u>\$ 494</u>
Liabilities					
Deferred compensation plan	Accrued liabilities	\$ 66	\$ —	\$ —	\$ 66
Deferred compensation plan	Other noncurrent liabilities	682	—	—	682
Total		<u>\$ 748</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 748</u>

In addition to the financial instruments listed in the tables above, the Company holds other financial instruments, including cash deposits, accounts receivable, accounts payable, term loans, and senior notes. The carrying values for such financial instruments, other than the senior notes, each approximated their fair values as of June 30, 2026 and December 31, 2025. The estimated fair value of the Company's outstanding senior notes, including accrued interest, using quoted prices from over-the-counter markets, considered Level 2 inputs, was \$15,218 million and \$15,205 million as of June 30, 2026 and December 31, 2025, respectively.

The Company's derivative financial instruments are discussed in Note 9 and the obligation for its revolving receivable program is discussed in Note 5.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 11. SHARE-BASED COMPENSATION

The Company has various incentive plans under which performance based restricted stock units (“PRSUs”), service based restricted stock units (“RSUs”), and stock options have been issued. The table below presents awards granted (in millions, except weighted-average grant price).

	Six Months Ended June 30, 2026	
	Awards	Weighted-Average Grant Date Fair Value
Awards granted:		
PRsUs	1.2	\$ 29.08
RSUs	19.5	\$ 28.47
Stock options	3.1	\$ 10.47

The table below presents unrecognized compensation cost related to non-vested share-based awards and the weighted-average amortization period over which these expenses will be recognized as of June 30, 2026 (in millions, except years).

	Unrecognized Compensation Cost	Weighted-Average Amortization Period (years)
PRsUs	\$ 72	1.2
RSUs	716	1.3
Stock options	127	2.6
Total unrecognized compensation cost	\$ 915	

NOTE 12. INCOME TAXES

Income tax benefit (expense) was \$433 million and \$(866) million for the three months ended June 30, 2026 and 2025, respectively and \$647 million and \$(881) million for the six months ended June 30, 2026 and 2025, respectively. The increase in income tax benefit for the three and six months ended June 30, 2026 compared to the same periods in 2025 was primarily attributable to lower pre-tax book income, including the absence of a \$3.0 billion gain recognized in 2025 associated with the Tender Offers (see Note 8), as well as excess tax benefits from share-based compensation.

Income tax benefit for the three and six months ended June 30, 2026, reflects an effective income tax rate that differs from the federal statutory tax rate primarily due to the effect of foreign operations, excess tax benefits from share-based compensation, and changes in unrecognized tax benefits. Income tax benefit for the six months ended June 30, 2026 also reflects a book tax difference in the Netflix Termination Fee accrual based on current assessments. (See Note 1.)

As of June 30, 2026 and December 31, 2025, the Company’s reserves for unrecognized tax benefits totaled \$2,393 million and \$2,356 million, respectively.

As of June 30, 2026 and December 31, 2025, the Company had accrued \$935 million and \$856 million, respectively, of total interest and penalties payable related to unrecognized tax benefits. The Company recognizes interest and penalties related to unrecognized tax benefits as a component of income tax expense.

The Organization for Economic Co-operation and Development’s (“OECD”) Pillar Two Global Anti-Base Erosion (“GloBE”) model rules, issued under the OECD Inclusive Framework on Base Erosion and Profit Shifting, introduce a global minimum tax of 15% applicable to multinational enterprise groups with consolidated financial statement revenue in excess of €750 million. Numerous foreign jurisdictions have already enacted tax legislation based on the GloBE rules, with some effective as early as January 1, 2024. In January 2026, the OECD issued additional guidance on the minimum tax framework, including a “side by side” safe harbor framework that would apply to U.S.-parented groups. Even if this safe harbor applies, we would still be subject to local minimum tax regimes in countries that have adopted these rules. The interpretation and adoption of the OECD’s recommendations continue to vary across jurisdictions. As of June 30, 2026, we recognized an immaterial income tax expense for Pillar Two GloBE minimum tax. The Company is continuously monitoring the evolving application of this legislation and assessing its potential impact on our future tax liability.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

NOTE 13. SUPPLEMENTAL DISCLOSURES

The following tables present supplemental information related to the consolidated financial statements (in millions).

Other Income, net

Other income, net, consisted of the following (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Foreign currency gains (losses), net	\$ 20	\$ 58	\$ (32)	\$ 88
Gains on derivative instruments, net	15	19	13	41
Change in the value of investments with readily determinable fair value	6	—	6	4
Change in fair value of equity investments without readily determinable fair value	(37)	—	(37)	(4)
Interest income	34	59	56	123
Indemnification receivable accrual	3	(5)	—	(43)
Other income, net	9	8	6	12
Total other income, net	<u>\$ 50</u>	<u>\$ 139</u>	<u>\$ 12</u>	<u>\$ 221</u>

Supplemental Cash Flow Information

	Six Months Ended June 30,	
	2026	2025
Non-cash investing and financing activities:		
Assets acquired under finance lease and other arrangements	\$ 85	\$ 219
Settlement of PRSU awards	\$ 109	\$ 62
Accrued debt tender fees	\$ —	\$ 95

Cash, Cash Equivalents, and Restricted Cash

	June 30, 2026	December 31, 2025
Cash and cash equivalents	\$ 3,369	\$ 4,566
Restricted cash - recorded in prepaid expenses and other current assets	4	4
Total cash, cash equivalents, and restricted cash	<u>\$ 3,373</u>	<u>\$ 4,570</u>

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Earnings Per Share

The table below presents a reconciliation of net income (loss) available to Warner Bros. Discovery, Inc. Series A common stockholders for basic and diluted earnings per share (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net income (loss)	\$ 162	\$ 1,588	\$ (2,744)	\$ 1,139
Less:				
Net income attributable to noncontrolling interests	(13)	(7)	(23)	(15)
Net (income) loss attributable to redeemable noncontrolling interests	—	(1)	—	3
Net income (loss) available to Warner Bros. Discovery, Inc. Series A common stockholders for basic and diluted earnings per share	<u>\$ 149</u>	<u>\$ 1,580</u>	<u>\$ (2,767)</u>	<u>\$ 1,127</u>
Denominator — weighted average:				
Common shares outstanding — basic	2,511	2,477	2,501	2,469
Dilutive effect of share-based awards	64	22	—	31
Common shares outstanding — diluted	<u>2,575</u>	<u>2,499</u>	<u>2,501</u>	<u>2,500</u>
Basic net income (loss) per share allocated to common stockholders	\$ 0.06	\$ 0.64	\$ (1.11)	\$ 0.46
Diluted net income (loss) per share allocated to common stockholders	\$ 0.06	\$ 0.63	\$ (1.11)	\$ 0.45

Earnings (loss) per share amounts may not recalculate due to rounding.

The table below presents the details of share-based awards that were excluded from the calculation of diluted earnings per share (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Anti-dilutive share-based awards	20	81	96	66

Supplier Finance Programs

As of June 30, 2026 and December 31, 2025, the Company has confirmed \$277 million and \$260 million, respectively, of accrued content producer liabilities. These amounts were outstanding and unpaid by the Company and were recorded in accrued liabilities on the consolidated balance sheets.

Leases

During the three months ended March 31, 2025, the Company subleased a portion of its Hudson Yards, New York office. As a result of executing the sublease, the Company recorded a right-of-use (“ROU”) asset impairment charge of \$87 million. The ROU asset impairment charge was recorded in impairment and loss on dispositions in the consolidated statements of operations.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Collaborative Arrangements

The arrangement among TNT Sports, CBS Broadcasting, Inc. (“CBS”), and the National Collegiate Athletic Association (the “NCAA”) provides TNT Sports and CBS with rights to the NCAA Division I Men’s Basketball Championship Tournament (the “NCAA Tournament”) in the U.S. and its territories and possessions through 2032. The aggregate programming rights fee, production costs, certain advertising revenues and sponsorship revenues related to the NCAA Tournament, and related programming are shared equally by the Company and CBS. However, if the amount paid for the programming rights fee and production costs in any given year exceeds the shared advertising and sponsorship revenues for that year, CBS’ share of such shortfall is limited to a specified annual cap. The amount recorded pursuant to the loss cap was \$76 million and \$74 million during the six months ended June 30, 2026 and 2025, respectively. In accounting for this arrangement, the Company records advertising revenue for the advertisements aired on its networks and amortizes its share of the programming rights fee based on the estimated relative value of each season over the term of the arrangement.

Venu Sports

On February 6, 2024, the Company announced that it would enter into a joint venture with ESPN, a subsidiary of The Walt Disney Company (“Disney”), and Fox Corporation (“Fox”) to form Venu Sports, a sports-centric streaming service in the United States. On February 20, 2024, FuboTV Inc. and FuboTV Media Inc. (collectively, “Fubo”) filed a lawsuit against Disney, including certain affiliates, Fox, and WBD (collectively, the “Defendants”) in the U.S. District Court for the Southern District of New York alleging claims under federal and New York antitrust laws. The Defendants reached a settlement with Fubo related to Fubo’s antitrust claims and collectively paid \$220 million to Fubo in January 2025, of which the Company’s share was \$55 million.

On January 10, 2025, the Defendants announced their decision to discontinue the Venu Sports joint venture and not launch its streaming service effective immediately.

Discovery Family

Hasbro Inc. (“Hasbro”) had the right to put the entirety of its remaining 40% interest in Discovery Family to the Company. Hasbro did not exercise the right by the election period expiration date of March 31, 2025. As of March 31, 2025, Hasbro’s noncontrolling interest was reclassified from redeemable noncontrolling interest to noncontrolling interest outside of stockholders’ equity on the Company’s consolidated balance sheets.

Accumulated Other Comprehensive Loss

The table below presents the changes in the components of accumulated other comprehensive loss, net of taxes (in millions).

	Three Months Ended June 30, 2026			
	Currency Translation	Derivatives	Pension Plan and SERP Liability	Accumulated Other Comprehensive Loss
Beginning balance	\$ (560)	\$ 20	\$ (102)	\$ (642)
Other comprehensive income (loss) before reclassifications	(46)	(8)	—	(54)
Reclassifications from accumulated other comprehensive loss to net income	—	8	—	8
Other comprehensive income (loss)	(46)	—	—	(46)
Ending balance	\$ (606)	\$ 20	\$ (102)	\$ (688)

	Three Months Ended June 30, 2025			
	Currency Translation	Derivatives	Pension Plan and SERP Liability	Accumulated Other Comprehensive Loss
Beginning balance	\$ (777)	\$ 11	\$ (74)	\$ (840)
Other comprehensive income (loss) before reclassifications	444	20	—	464
Reclassifications from accumulated other comprehensive loss to net income	—	5	—	5
Other comprehensive income (loss)	444	25	—	469
Ending balance	\$ (333)	\$ 36	\$ (74)	\$ (371)

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

	Six Months Ended June 30, 2026			
	Currency Translation	Derivatives	Pension Plan and SERP Liability	Accumulated Other Comprehensive Loss
Beginning balance	\$ (342)	\$ 39	\$ (104)	\$ (407)
Other comprehensive income (loss) before reclassifications	(264)	(34)	2	(296)
Reclassifications from accumulated other comprehensive loss to net income	—	15	—	15
Other comprehensive income (loss)	(264)	(19)	2	(281)
Ending balance	<u>\$ (606)</u>	<u>\$ 20</u>	<u>\$ (102)</u>	<u>\$ (688)</u>

	Six Months Ended June 30, 2025			
	Currency Translation	Derivatives	Pension Plan and SERP Liability	Accumulated Other Comprehensive Loss
Beginning balance	\$ (1,008)	\$ 15	\$ (74)	\$ (1,067)
Other comprehensive income (loss) before reclassifications	675	29	—	704
Reclassifications from accumulated other comprehensive loss to net income	—	(8)	—	(8)
Other comprehensive income (loss)	675	21	—	696
Ending balance	<u>\$ (333)</u>	<u>\$ 36</u>	<u>\$ (74)</u>	<u>\$ (371)</u>

NOTE 14. RELATED PARTY TRANSACTIONS

In the normal course of business, the Company enters into transactions with related parties. Related party transactions include revenues and expenses for content and services provided to or acquired from equity method investees, entities that share common directorship, or minority partners of consolidated subsidiaries.

The table below presents a summary of the transactions with related parties (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues and service charges	\$ 177	\$ 161	\$ 382	\$ 375
Expenses	\$ 48	\$ 84	\$ 103	\$ 152
Distributions to noncontrolling interests and redeemable noncontrolling interests	\$ 15	\$ 17	\$ 144	\$ 174

The table below presents receivables due from and payables due to related parties (in millions).

	June 30, 2026	December 31, 2025
Receivables	\$ 107	\$ 116
Payables	\$ —	\$ 17

NOTE 15. COMMITMENTS AND CONTINGENCIES

Other Contingent Commitments

During the six months ended June 30, 2026, the Company entered into a tax reimbursement agreement with the Chief Executive Officer (“CEO”). In the event that the CEO incurs an excise tax in respect of any payment or benefit made or provided to him in connection with a change in control, he would be entitled to a tax reimbursement payment.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Legal Matters

From time to time, in the normal course of its operations, the Company is subject to various litigation matters and claims, including claims related to employees, stockholders, vendors, other business partners, government regulations, or intellectual property, as well as disputes and matters involving counterparties to contractual agreements. A determination as to the amount of the accrual required for such contingencies is highly subjective and requires judgment about future events.

The Company may not currently be able to estimate the reasonably possible loss or range of loss for certain matters until developments in such matters have provided sufficient information to support an assessment of such loss. In the absence of sufficient information to support an assessment of the reasonably possible loss or range of loss, no accrual for such contingencies is made and no loss or range of loss is disclosed. Although the outcome of these matters cannot be predicted with certainty and the impact of the final resolution of these matters on the Company's results of operations in a particular subsequent reporting period is not known, management does not currently believe that the resolution of these matters will have a material adverse effect on the Company's future consolidated financial position, future results of operations, or cash flows.

PSKY Complaint. On January 12, 2026, PSKY filed a complaint in the Delaware Court of Chancery against our board of directors (and our Chair Emeritus, Dr. Malone) and the Company. The suit asserted a claim for breach of fiduciary duty against the directors, alleging that our board of directors failed to disclose material information in both the Solicitation/Recommendation Statement on Schedule 14D-9, filed on December 17, 2025, and the amendment to that Schedule 14D-9, filed on January 7, 2026. PSKY also requested that the court expedite the case in light of the then-current expiration date of PSKY's tender offer on January 21, 2026. On January 15, 2026, the Delaware Court of Chancery denied PSKY's request for expedition, stating that PSKY failed to demonstrate that it would suffer any irreparable harm in its capacity as a stockholder of the Company if the litigation was not expedited, among other reasons. On February 2, 2026, the Company moved to dismiss the complaint. Pursuant to the PSKY Merger Agreement, PSKY filed a voluntary notice of dismissal with prejudice with respect to the complaint, and the court dismissed the case on March 2, 2026.

Securities Class Action. On November 25, 2024, a securities class action complaint was filed in the United States District Court for the Southern District of New York (*Collura v. Warner Bros. Discovery, Inc.*, No. 1:24-cv-09027-KPF). The complaint named WBD, Gunnar Wiedenfels, and David M. Zaslav as defendants and asserted claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 10b-5 promulgated thereunder. On February 21, 2025, the court appointed co-lead plaintiffs (Anthony Yuson and Michael Steinberg) and co-lead counsel (Pomerantz LLP and The Rosen Law Firm, P.A.) to represent the putative class. On May 7, 2025, the lead plaintiffs filed a First Amended Complaint against WBD, Gunnar Wiedenfels, and David M. Zaslav. The First Amended Complaint generally alleges that, between February 23, 2024 and August 7, 2024, defendants made false and misleading statements in SEC filings and other public disclosures relating to WBD's negotiations with the National Basketball Association ("NBA") concerning its contractual rights to broadcast the NBA's content and the potential impact of a failure to renew the contract on its business, in violation of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5, and seeks damages and other relief. The defendants moved to dismiss on July 11, 2025, which the court granted without leave to amend on March 30, 2026.

Consolidated Derivative Action. Between December 20, 2024 and January 14, 2025, four stockholder derivative complaints were filed in the United States District Court for the Southern District of New York (*Roy v. Zaslav et al.*, No. 1:24-cv-09856-AT, *Hollin v. Zaslav et al.*, No. 1:24-cv-09885-AT, *KO v. Zaslav et al.*, No. 1:25-cv-00114-AT, and *Herman, III v. Chen et al.*, No. 1:25-cv-00352-AT). Each complaint names certain current and former directors and officers of WBD as defendants and WBD as nominal defendant, and each complaint seeks damages and other relief. The complaints generally assert claims against the defendants, derivatively on behalf of WBD, for alleged breaches of fiduciary duty based on the same facts alleged in a securities class action complaint that was filed in the United States District Court for the Southern District of New York (*Collura v. Warner Bros. Discovery, Inc.*, No. 1:24-cv-09027-KPF), which was dismissed on March 30, 2026. The four complaints assert various common law causes of action, including breach of fiduciary duties, aiding and abetting breach of fiduciary duties, abuse of control, unjust enrichment, gross mismanagement, and waste of corporate assets, as well as claims for violations of Sections 14(a), 10(b), and 21D of the Exchange Act. On January 21, 2025, the court consolidated the four actions for all purposes under Case No. 1:24-cv-09856-AT, captioned as *In re Warner Bros. Discovery, Inc. Derivative Litigation* (the "Consolidated Derivative Action"). On February 19, 2025, the court stayed the Consolidated Derivative Action pending resolution of a final decision on all motions to dismiss the operative complaint in the *Collura* securities action. On June 15, 2026, following the dismissal of the *Collura* securities action, the court entered an order dismissing the consolidated derivative action.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Individual Stockholder Action. On April 2, 2026, an individual action was filed in the Supreme Court of the State of New York, County of Richmond (Nicosia v. Di Piazza, Jr., et al., Index No. 150851/2026). The complaint was brought by a purported stockholder of WBD and it named as defendants WBD, members of the WBD board of directors, and PSKY. The complaint alleged that the proxy statement disseminated to WBD stockholders in connection with the proposed transaction with PSKY contains materially false and misleading statements and omissions concerning, among other things, the alleged personal financial benefits of WBD's directors and officers, the alleged conflicts of WBD's financial advisors, and the process underlying and valuation of the proposed transaction. Following the issuance of certain supplemental disclosures via Form DEFA14A on April 16, 2026, the plaintiff voluntarily dismissed the litigation with prejudice on April 20, 2026.

Nokia Litigation. Over the past several years, Nokia Corporation and Nokia Technologies Oy (collectively, "Nokia") have alleged that WBD is infringing on their portfolio of patents related to the delivery of streaming video. On November 1, 2025, Nokia brought suit against WBD in certain jurisdictions, and WBD and Dplay Entertainment Limited brought suit in other jurisdictions, and filed a rate-setting proceeding in the High Court of Justice of England and Wales (the "Court") against Nokia seeking a determination of a reasonable and non-discriminatory ("RAND") royalty rate for a global license to certain Nokia patents, including standard-essential patents related to the H.264/AVC and H.265/HEVC standards and other non-essential multimedia patents. In June 2026, the Court determined that WBD is required to make an interim license payment to Nokia during the pendency of the litigation, which includes refundable and non-refundable components, and trial is currently scheduled for late 2026. As of June 30, 2026, the Company recorded an immaterial liability related to this matter. The amount of any adjustment to this liability as an outcome from the rate-setting process cannot be reasonably estimated.

State Attorney General Complaint. On July 13, 2026, a coalition of state attorneys general from twelve states (the "States") filed a complaint in the United States District Court for the Northern District of California seeking to enjoin PSKY's proposed acquisition of WBD. The States allege that the PSKY Merger violates Section 7 of the Clayton Act because it is likely to substantially lessen competition in the distribution of certain theatrical films and the licensing of basic cable channels to distributors in the United States. On July 13, 2026, the States sought a temporary restraining order to prohibit PSKY and WBD from closing the transaction before the court decides whether the PSKY Merger is unlawful under Section 7 of the Clayton Act. On July 16, 2026, PSKY and WBD filed an opposition to the States' motion for a temporary restraining order. On July 17, 2026, the court held a hearing on the States' motion for a temporary restraining order. On July 20, 2026, the court granted the States' motion for a temporary restraining order, prohibiting PSKY and WBD from closing the PSKY Merger. On July 23, 2026, the court extended the temporary restraining order to August 17, 2026. On July 24, 2026, defendants agreed not to complete the PSKY Merger until the earlier of (i) five days after the merits determination in this matter or (ii) June 1, 2027, and the court canceled the briefing schedule and hearing date for the States' motion for preliminary injunction. On August 4, 2026, the court entered an order for a single 12-day trial beginning March 2, 2027 and ending March 19, 2027 covering both the States and WGA (as defined below) cases.

Writers Guild of America Complaint. On July 14, 2026, the Writers Guild of America West and Writers Guild of America East (collectively, the "WGA") filed a complaint in the United States District Court for the Northern District of California seeking to enjoin PSKY's proposed acquisition of WBD. The WGA alleges that the PSKY Merger violates Section 7 of the Clayton Act because it will substantially lessen competition for writing services for WGA-covered "anticipated top grossing films," writing services for episodic television shows, and writing services of writers under overall deals. The WGA sought a preliminary injunction blocking the PSKY Merger, along with attorneys' fees and costs. The same district court judge who is presiding over the States' complaint is presiding over the WGA case. On July 24, 2026, defendants agreed not to complete the PSKY Merger until the earlier of (i) five days after the merits determination in this matter or (ii) June 1, 2027, and the WGA's motion for preliminary injunction was withdrawn. On August 4, 2026, the court entered an order for a single 12-day trial beginning March 2, 2027 and ending March 19, 2027 covering both the States and WGA cases.

NOTE 16. REPORTABLE SEGMENTS

The Company's operating segments are determined based on: (i) financial information reviewed by its chief operating decision maker ("CODM"), the CEO, (ii) internal management and related reporting structure, and (iii) the basis upon which the CEO makes resource allocation decisions.

The accounting policies of the reportable segments are the same as the Company's, except that certain inter-segment transactions that are eliminated for consolidation are not eliminated at the segment level. Inter-segment transactions primarily include advertising and content licenses. The Company generally records inter-segment transactions of content licenses at market value. The Company does not report assets by segment because it is not used by the CODM to allocate resources or evaluate segment performance.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

The Company evaluates the operating performance of its segments based on financial measures such as revenues and Adjusted EBITDA. Adjusted EBITDA is defined as operating income excluding:

- employee share-based compensation;
- depreciation and amortization;
- restructuring and facility consolidation;
- certain impairment charges;
- gains and losses on business and asset dispositions;
- third-party transaction and integration costs;
- amortization of purchase accounting fair value step-up for content;
- amortization of capitalized interest for content; and
- other items impacting comparability.

The CODM uses this measure to assess the operating results and performance of the segments, perform analytical comparisons, identify strategies to improve performance, and allocate resources to each segment. The Company believes Adjusted EBITDA is relevant to investors because it allows them to analyze the operating performance of each segment using the same metric management uses. The Company excludes employee share-based compensation, restructuring, certain impairment charges, gains and losses on business and asset dispositions, and transaction and integration costs from the calculation of Adjusted EBITDA due to their impact on comparability between periods. Integration costs include transformative system implementations and integrations, such as Enterprise Resource Planning systems, and may take several years to complete. The Company also excludes the depreciation of fixed assets and amortization of intangible assets, amortization of purchase accounting fair value step-up for content (which is included in consolidated costs of revenues), and amortization of capitalized interest for content, as these amounts do not represent cash payments in the current reporting period.

The tables below present summarized financial information for each of the Company's reportable segments (in millions).

Revenues

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Streaming	\$ 3,079	\$ 2,793	\$ 5,966	\$ 5,449
Studios	2,328	3,801	5,453	6,115
Global Linear Networks	3,991	4,803	8,368	9,577
Corporate	1	1	2	1
Inter-segment eliminations	(682)	(1,586)	(2,179)	(2,351)
Total revenues	<u>\$ 8,717</u>	<u>\$ 9,812</u>	<u>\$ 17,610</u>	<u>\$ 18,791</u>

Reconciliation of Revenues to Segment Adjusted EBITDA

	Three months ended June 30, 2026		
	Streaming	Studios	Global Linear Networks
Revenues	\$ 3,079	\$ 2,328	\$ 3,991
Less:			
Content expense ^(a)		1,569	1,442
Personnel expense ^(b)		187	235
Marketing expense		344	307
Other segment expenses ^(c)		467	248
Segment Adjusted EBITDA	<u>\$ 512</u>	<u>\$ 96</u>	<u>\$ 1,446</u>

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

	Three months ended June 30, 2025		
	Streaming	Studios	Global Linear Networks
Revenues	\$ 2,793	\$ 3,801	\$ 4,803
Less:			
Content expense ^(a)	1,600	2,135	2,105
Personnel expense ^(b)	191	232	505
Marketing expense	294	363	115
Other segment expenses ^(c)	415	208	566
Segment Adjusted EBITDA	\$ 293	\$ 863	\$ 1,512

	Six months ended June 30, 2026		
	Streaming	Studios	Global Linear Networks
Revenues	\$ 5,966	\$ 5,453	\$ 8,368
Less:			
Content expense ^(a)	3,100	3,045	2,992
Personnel expense ^(b)	373	486	1,038
Marketing expense	629	582	266
Other segment expenses ^(c)	914	469	992
Segment Adjusted EBITDA	\$ 950	\$ 871	\$ 3,080

	Six months ended June 30, 2025		
	Streaming	Studios	Global Linear Networks
Revenues	\$ 5,449	\$ 6,115	\$ 9,577
Less:			
Content expense ^(a)	3,104	3,474	3,937
Personnel expense ^(b)	377	462	1,001
Marketing expense	514	615	219
Other segment expenses ^(c)	822	442	1,115
Segment Adjusted EBITDA	\$ 632	\$ 1,122	\$ 3,305

^(a) Content expense includes amortization, impairments, participations, residuals, development expense, and production costs, including talent costs, and is a component of costs of revenues. Content expense excludes content impairments and other development costs recorded in restructuring and other charges, amortization of purchase accounting fair value step-up for content, and amortization of capitalized interest for content as these items are excluded from the calculation of Adjusted EBITDA.

^(b) Personnel expense is a component of costs of revenues and selling, general and administrative expense. Personnel expense includes marketing personnel compensation and excludes commissions (included in other segment expenses) and talent costs (included in content expense).

^(c) Other segment expenses include distribution costs, other direct costs, software and hardware costs, IT services, professional and consulting fees, commissions, and certain other overhead costs. Other segment expenses exclude depreciation and amortization, amortization of purchase accounting fair value step-up for content, amortization of capitalized interest for content, employee share-based compensation, third-party transaction and integration costs, and other items impacting comparability as these items are excluded from the calculation of Adjusted EBITDA.

WARNER BROS. DISCOVERY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(unaudited)

Reconciliation of segment adjusted EBITDA to loss before income taxes

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Streaming	\$ 512	\$ 293	\$ 950	\$ 632
Studios	96	863	871	1,122
Global Linear Networks	1,446	1,512	3,080	3,305
Segment Adjusted EBITDA	2,054	2,668	4,901	5,059
Depreciation and amortization	1,159	1,447	2,385	2,994
Employee share-based compensation	187	173	337	293
Restructuring and other charges	113	80	317	134
Netflix Termination Fee (See Note 1)	—	—	2,800	—
Transaction and integration costs	72	17	245	97
Facility consolidation costs	—	4	—	9
Impairment and amortization of fair value step-up for content	77	388	179	628
Amortization of capitalized interest for content	11	3	14	9
Impairments and loss on dispositions	23	26	37	116
Corporate	298	316	567	549
Inter-segment eliminations	(123)	399	252	452
Other income, net	(50)	(139)	(12)	(221)
(Income) loss from equity investees, net	(28)	(5)	(23)	2
Loss (gain) on extinguishment of debt, net	75	(2,958)	102	(2,954)
Interest expense, net	511	463	1,092	931
(Loss) income before income taxes	\$ (271)	\$ 2,454	\$ (3,391)	\$ 2,020

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

Management's discussion and analysis of financial condition and results of operations is a supplement to and should be read in conjunction with the accompanying consolidated financial statements and related notes. This section provides additional information regarding our businesses, current developments, results of operations, cash flows and financial condition. Additional context can also be found in our Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K").

BUSINESS OVERVIEW

Warner Bros. Discovery is a leading global media and entertainment company that creates and distributes a differentiated and comprehensive portfolio of content and products across television, film, streaming, interactive gaming, publishing, themed experiences, and consumer products through brands including: Discovery Channel, HBO Max, CNN, DC Studios, TNT Sports, HBO, Food Network, TLC, TBS, Warner Bros. Motion Picture Group, Warner Bros. Television Group, Warner Bros. Games, Adult Swim, Turner Classic Movies, and others.

We are home to one of the largest collections of owned content in the world with assets and intellectual property across sports, news, lifestyle, and entertainment in most languages and regions of the globe. We create some of the best-in-class content using our renowned library, beloved franchises, and acclaimed creative expertise to serve our audiences and consumers. Our asset mix strongly positions us to execute our key strategies: grow our streaming business globally, enhance our Studios segment, and manage our linear networks for the best possible success in order to create long-term value for our stockholders.

In the first quarter of 2025, the Company renamed its DTC reportable segment to Streaming and its Networks reportable segment to Global Linear Networks.

Termination of Netflix Merger

On January 19, 2026, the Company entered into an amended and restated agreement and plan of merger, by and among the Company, Netflix, Inc. ("Netflix"), Nightingale Sub, Inc., a wholly owned subsidiary of Netflix, and New Topco 25, Inc., a wholly owned subsidiary of WBD (the "Netflix Merger Agreement"), pursuant to which Netflix would have acquired the Streaming and Studios segments (subject to certain deviations) and certain other assets and liabilities, including the Company's film and television studios, HBO Max, and HBO, following the separation and distribution of Discovery Global to the Company's stockholders (the "Separation Transaction").

Following the board of directors' determination that it had received a "Company Superior Proposal," as defined in the Netflix Merger Agreement, from Paramount Skydance Corporation ("PSKY") and Netflix's waiver of its right to propose revisions to the Netflix Merger Agreement, on February 27, 2026, in accordance with the terms of the Netflix Merger Agreement, the Company terminated the Netflix Merger Agreement in connection with entering into the PSKY Merger Agreement (as defined below). As a result of the termination of the Netflix Merger Agreement, PSKY, on behalf of the Company, paid Netflix a termination fee of \$2.8 billion in cash (the "Netflix Termination Fee") as required by the terms of the Netflix Merger Agreement. In the first quarter of 2026, the Company recorded an expense for the Netflix Termination Fee in the consolidated statements of operations. The amount paid by PSKY is reimbursable by the Company to PSKY in certain circumstances in the event the PSKY Merger Agreement is terminated and has been recorded in accrued liabilities in the consolidated balance sheets.

PSKY Merger

On February 27, 2026, the Company entered into an Agreement and Plan of Merger, by and among the Company, PSKY and Prince Sub Inc., a wholly owned subsidiary of PSKY ("Merger Sub") (as may be amended from time to time, the "PSKY Merger Agreement"), pursuant to which and subject to the terms and conditions therein, at the effective time, Merger Sub will merge with and into WBD, with WBD surviving as a wholly owned subsidiary of PSKY (the "PSKY Merger").

Upon completion of the PSKY Merger, each issued and outstanding share of WBD's Series A common stock ("WBD Common Stock") (subject to certain exceptions) will be converted into the right to receive an amount in cash equal to \$31.00, without interest, plus, if the closing date of the PSKY Merger occurs after September 30, 2026, the Ticking Consideration (together, the "Merger Consideration"). The "Ticking Consideration" will be an amount in cash equal to \$0.00277778 multiplied by the number of calendar days elapsed after September 30, 2026 to and including the closing date (which, for the avoidance of doubt, will not exceed \$0.25 per 90 calendar day period).

Concurrently with the execution of the PSKY Merger Agreement, Larry J. Ellison and an affiliated trust entered into a guarantee in favor of WBD to, among other things, jointly and severally guarantee certain payments by PSKY under the PSKY Merger Agreement, including \$45.72 billion of the aggregate Merger Consideration, and assist WBD with the consummation of the PSKY Merger.

On April 23, 2026, WBD stockholders approved the adoption of the PSKY Merger Agreement. In July 2026, two lawsuits were filed in the United States District Court for the Northern District of California by a coalition of twelve state attorneys general and the Writers Guild of America West and Writers Guild of America East seeking to block the PSKY Merger, alleging the transaction would violate Section 7 of the Clayton Act by reducing competition in key markets. On July 24, 2026, defendants agreed not to complete the PSKY Merger until the earlier of (i) five days after the merits determination in these matters or (ii) June 1, 2027. (See Note 15 to the accompanying consolidated financial statements.) The outcome of such litigation is uncertain and could prevent the completion of the PSKY Merger.

The completion of the PSKY Merger is subject to customary closing conditions, including regulatory clearances. In addition, PSKY's obligation to consummate the PSKY Merger is subject to WBD not having completed the separation of its Streaming & Studios business from its Global Linear Networks business nor having declared or made any dividend to WBD's stockholders to effectuate the separation. There can be no assurance that the PSKY Merger will occur in accordance with the expected plans or anticipated timeline, or at all.

The PSKY Merger Agreement contains certain customary termination rights for WBD and PSKY, including, without limitation, a right for either party to terminate if the PSKY Merger is not completed on or before March 4, 2027, subject to an extension to June 4, 2027 in certain circumstances as specified in the PSKY Merger Agreement. Termination under specified circumstances will require WBD to pay PSKY a termination fee of \$3.0 billion and reimburse PSKY for (i) any payment made by PSKY, which will in no event be more than \$1,528 million, in connection with WBD's obligation to complete the Junior Lien Exchange Offer (as defined below) by March 4, 2027 and (ii) the Netflix Termination Fee, or PSKY to pay WBD a termination fee of \$7.0 billion. Additionally, the PSKY Merger Agreement provides for customary pre-closing covenants of WBD, including covenants relating to conducting its business in the ordinary course consistent with past practice and to refrain from taking certain actions without PSKY's consent.

Reportable Segments

As of June 30, 2026, we classified our operations in three reportable segments:

- **Streaming** - Our Streaming segment primarily consists of our premium pay-TV and streaming services.
- **Studios** - Our Studios segment primarily consists of the production and release of feature films for initial exhibition in theaters, production and initial licensing of television programs to third parties and our networks/streaming services, distribution of our films and television programs to various third party and internal television and streaming services, distribution through the home entertainment market (physical and digital), related consumer products and themed experience licensing, and interactive gaming.
- **Global Linear Networks** - Our Global Linear Networks segment primarily consists of our domestic and international television networks.

Our segment presentation is aligned with our management structure and the financial information management uses to make decisions about operating matters, such as the allocation of resources and business performance assessments.

INDUSTRY TRENDS

Headwinds in the industry, such as continued pressures on linear distribution and declines in linear subscribers and continued softness in the U.S. linear advertising market, have had, and are expected to continue to have, a material impact on the operations and results of the Company, including a negative impact on the results of operations attributed to declines in linear advertising revenue. The increase of digital advertising inventory available in the marketplace has also resulted in, and is expected to continue to result in, increased competition for advertising expenditures for both traditional linear networks and ad-supported tiers in streaming services. In addition, the imposition of tariffs by the U.S. government and any retaliatory tariffs from foreign governments, including tariffs directly or indirectly applicable to our industry, may negatively impact our operations and results, including by leading to higher productions costs or decreased spending by advertisers whose expenditures are sensitive to such actions or to general economic conditions. We continue to closely monitor the ongoing impact of industry trends to our business; however, the full effects on our operations and results will depend on future developments, which are highly uncertain and cannot be predicted.

RESULTS OF OPERATIONS

Foreign Exchange Impacting Comparability

The impact of exchange rates on our business is an important factor in understanding period-to-period comparisons of our results. For example, our international revenues are favorably impacted as the U.S. dollar weakens relative to other foreign currencies and unfavorably impacted as the U.S. dollar strengthens relative to other foreign currencies. We believe the presentation of results on a constant currency basis (“ex-FX”), in addition to results reported in accordance with U.S. GAAP provides useful information about our operating performance because the presentation ex-FX excludes the effects of foreign currency volatility and highlights our core operating results. The presentation of results on a constant currency basis should be considered in addition to, but not a substitute for, measures of financial performance reported in accordance with U.S. GAAP.

The ex-FX change represents the percentage change on a period-over-period basis adjusted for foreign currency impacts. The ex-FX change is calculated as the difference between the current year amounts translated at a baseline rate, which is a spot rate for each of our currencies determined early in the fiscal year as part of our forecasting process (the “2026 Baseline Rate”), and the prior year amounts translated at the same 2026 Baseline Rate. In addition, consistent with the assumption of a constant currency environment, our ex-FX results exclude the impact of our foreign currency hedging activities, as well as realized and unrealized foreign currency transaction gains and losses. Results on a constant currency basis, as we present them, may not be comparable to similarly titled measures used by other companies.

Consolidated Results of Operations

The table below presents our consolidated results of operations (in millions).

	Three Months Ended June 30,		% Change	% Change (ex-FX)	Six Months Ended June 30,		% Change	% Change (ex-FX)
	2026	2025			2026	2025		
Revenues:								
Distribution	\$ 4,950	\$ 4,885	1 %	1 %	\$ 9,856	\$ 9,771	1 %	— %
Advertising	1,724	2,216	(22)%	(22)%	3,571	4,196	(15)%	(16)%
Content	1,828	2,471	(26)%	(26)%	3,715	4,337	(14)%	(16)%
Other	215	240	(10)%	(11)%	468	487	(4)%	(6)%
Total revenues	8,717	9,812	(11)%	(12)%	17,610	18,791	(6)%	(7)%
Costs of revenues, excluding depreciation and amortization	4,621	5,967	(23)%	(23)%	9,264	11,098	(17)%	(17)%
Selling, general and administrative	2,564	2,477	4 %	3 %	5,039	4,671	8 %	7 %
Netflix Termination Fee (See Note 1)	—	—	— %	— %	2,800	—	NM	NM
Depreciation and amortization	1,159	1,447	(20)%	(20)%	2,385	2,994	(20)%	(20)%
Restructuring and other charges	113	80	41 %	41 %	317	134	NM	NM
Impairments and loss on dispositions	23	26	(12)%	(15)%	37	116	(68)%	(68)%
Total costs and expenses	8,480	9,997	(15)%	(15)%	19,842	19,013	4 %	4 %
Operating income (loss)	237	(185)	NM	NM	(2,232)	(222)	NM	NM
Interest expense, net	(511)	(463)			(1,092)	(931)		
(Loss) gain on extinguishment of debt, net	(75)	2,958			(102)	2,954		
Income (loss) from equity investees, net	28	5			23	(2)		
Other income, net	50	139			12	221		
(Loss) income before income taxes	(271)	2,454			(3,391)	2,020		
Income tax benefit (expense)	433	(866)			647	(881)		
Net income (loss)	162	1,588			(2,744)	1,139		
Net income attributable to noncontrolling interests	(13)	(7)			(23)	(15)		
Net (income) loss attributable to redeemable noncontrolling interests	—	(1)			—	3		
Net income (loss) available to Warner Bros. Discovery, Inc.	\$ 149	\$ 1,580			\$ (2,767)	\$ 1,127		

NM - Not meaningful

Unless otherwise indicated, the discussion of percent changes below is on an ex-FX basis. The ex-FX percent changes of line items below operating loss in the table above are not included as the activity is principally in U.S. dollars.

Revenues

Distribution revenue increased 1% and remained flat for the three and six months ended June 30, 2026, respectively, primarily attributable to continued growth in existing streaming markets and the global expansion of HBO Max, including new distribution deals, partially offset by a 10% decline in domestic linear subscribers for both periods and the impact of the previously disclosed domestic wholesale streaming deal renewal that occurred in the second quarter of 2025.

Advertising revenue decreased 22% and 16% for the three and six months ended June 30, 2026, respectively, primarily attributable to audience declines in domestic networks of 17% and 13%, respectively, which were impacted by the absence of the NBA in 2026, partially offset by the broadcast of the *NCAA Final Four* and championship game in the current year quarter and an increase in global ad-lite streaming subscribers.

Content revenue decreased 26% and 16% for the three and six months ended June 30, 2026, respectively, primarily attributable to a 46% and 21% decrease in theatrical product revenue as a result of lower film rental revenue due to the current year slate in relation to the strong performance of *A Minecraft Movie*, *Sinners*, and *Final Destination Bloodlines*, which were released in the second quarter of 2025. Additionally, content revenue for both periods was negatively impacted by the timing of third-party licensing deals at Global Linear Networks, partially offset by higher Studios third-party television content sales.

Other revenue decreased 11% and 6% for the three and six months ended June 30, 2026, respectively, primarily attributable to the absence of the NBA in 2026.

Costs of Revenues

Costs of revenues decreased 23% and 17% for the three and six months ended June 30, 2026, respectively, primarily attributable to lower domestic sports costs due to the absence of the NBA in 2026, lower Studios theatrical content expense commensurate with lower theatrical product revenue, and lower content expense related to the amortization of purchase accounting fair value step-up for content, partially offset by higher international content costs to support HBO Max launches.

Selling, General and Administrative

Selling, general and administrative expenses increased 3% and 7% for the three and six months ended June 30, 2026, respectively, primarily attributable to higher transaction and integration costs and higher marketing expenses.

Netflix Termination Fee

During the six months ended June 30, 2026, the Company recorded a \$2.8 billion expense for the Netflix Termination Fee. (See Note 1 to the accompanying consolidated financial statements.)

Depreciation and Amortization

Depreciation and amortization decreased 20% and 20% for the three and six months ended June 30, 2026, respectively, primarily attributable to intangible assets acquired in connection with the acquisition of the WarnerMedia Business from AT&T Inc. that are being amortized using the sum of the months' digits method and the end of the useful life for certain intangible assets.

Restructuring and other charges

Restructuring and other charges were \$113 million and \$317 million for the three and six months ended June 30, 2026, respectively. Restructuring and other charges primarily includes organization restructuring costs, employee retention, and consulting fees related to the previously announced Separation Transaction and the PSKY Merger. (See Note 3 to the accompanying consolidated financial statements.)

Impairments and Loss on Dispositions

Impairments and loss on dispositions were \$23 million and \$37 million for the three and six months ended June 30, 2026, respectively.

Interest Expense, net

Interest expense, net increased \$48 million and \$161 million for the three and six months ended June 30, 2026, respectively, primarily attributable to higher interest costs associated with the Bridge Loan Agreement, which was repaid in full in June 2026. (See Note 8 to the accompanying consolidated financial statements.)

Loss (Gain) on Extinguishment of Debt, net

Loss (gain) on extinguishment of debt, net was \$75 million and \$102 million for the three and six months ended June 30, 2026, respectively. (See Note 8 to the accompanying consolidated financial statements.)

Income From Equity Investees, net

Income from our equity method investees was \$28 million and \$23 million for the three and six months ended June 30, 2026, respectively. The changes are attributable to our share of net earnings and losses from our equity investees. (See Note 7 to the accompanying consolidated financial statements.)

Other Income, net

Other income, net was \$50 million and \$12 million for the three and six months ended June 30, 2026, respectively. (See Note 13 to the accompanying consolidated financial statements.)

Income Tax Benefit (Expense)

Income tax benefit (expense) was \$433 million and \$(866) million for the three months ended June 30, 2026 and 2025, respectively, and \$647 million and \$(881) million for the six months ended June 30, 2026 and 2025, respectively. The increase in income tax benefit for the three and six months ended June 30, 2026 compared to the same periods in 2025 was primarily attributable to lower pre-tax book income, including the absence of a \$3.0 billion gain recognized in 2025 associated with the Tender Offers (see Note 8 to the accompanying consolidated financial statements), as well as excess tax benefits from share-based compensation.

Income tax benefit for the three and six months ended June 30, 2026, reflects an effective income tax rate that differs from the federal statutory tax rate primarily due to the effect of foreign operations, excess tax benefits from share-based compensation, and changes in unrecognized tax benefits. Income tax benefit for the six months ended June 30, 2026 also reflects a book tax difference in the Netflix Termination Fee accrual based on current assessments. (See Note 1 to the accompanying consolidated financial statements.)

The Organization for Economic Co-operation and Development's ("OECD") Pillar Two Global Anti-Base Erosion ("GloBE") model rules, issued under the OECD Inclusive Framework on Base Erosion and Profit Shifting, introduce a global minimum tax of 15% applicable to multinational enterprise groups with consolidated financial statement revenue in excess of €750 million. Numerous foreign jurisdictions have already enacted tax legislation based on the GloBE rules, with some effective as early as January 1, 2024. In January 2026, the OECD issued additional guidance on the minimum tax framework, including a "side by side" safe harbor framework that would apply to U.S.-parented groups. Even if this safe harbor applies, we would still be subject to local minimum tax regimes in countries that have adopted these rules. The interpretation and adoption of the OECD's recommendations continue to vary across jurisdictions. As of June 30, 2026, we recognized an immaterial income tax expense for Pillar Two GloBE minimum tax. The Company is continuously monitoring the evolving application of this legislation and assessing its potential impact on our future tax liability. (See Note 12 to accompanying consolidated financial statements.)

Segment Results of Operations

The Company evaluates the operating performance of its segments based on financial measures such as revenues and Adjusted EBITDA. Adjusted EBITDA is defined as operating income excluding:

- employee share-based compensation;
- depreciation and amortization;
- restructuring and facility consolidation;
- certain impairment charges;
- gains and losses on business and asset dispositions;
- third-party transaction and integration costs;
- amortization of purchase accounting fair value step-up for content;
- amortization of capitalized interest for content; and
- other items impacting comparability.

The CODM uses this measure to assess the operating results and performance of the segments, perform analytical comparisons, identify strategies to improve performance, and allocate resources to each segment. The Company believes Adjusted EBITDA is relevant to investors because it allows them to analyze the operating performance of each segment using the same metric management uses. The Company excludes employee share-based compensation, restructuring, certain impairment charges, gains and losses on business and asset dispositions, and transaction and integration costs from the calculation of Adjusted EBITDA due to their impact on comparability between periods. Integration costs include transformative system implementations and integrations, such as Enterprise Resource Planning systems, and may take several years to complete. The Company also excludes the depreciation of fixed assets and amortization of intangible assets, amortization of purchase accounting fair value step-up for content (which is included in consolidated costs of revenues), and amortization of capitalized interest for content, as these amounts do not represent cash payments in the current reporting period.

The table below presents our Adjusted EBITDA for each of the Company's reportable segments, corporate, and inter-segment eliminations (in millions).

	Three Months Ended June 30,			% Change	Six Months Ended June 30,			% Change
	2026	2025			2026	2025		
Streaming	\$ 512	\$ 293		75 %	\$ 950	\$ 632		50 %
Studios	\$ 96	\$ 863		(89)%	\$ 871	\$ 1,122		(22)%
Global Linear Networks	\$ 1,446	\$ 1,512		(4)%	\$ 3,080	\$ 3,305		(7)%
Corporate	\$ (298)	\$ (316)		6 %	\$ (567)	\$ (549)		(3)%
Inter-segment eliminations	\$ 123	\$ (399)		NM	\$ (252)	\$ (452)		(44)%

Streaming Segment

The following table presents, for our Streaming segment, revenues by type, certain operating expenses, Adjusted EBITDA and a reconciliation of Adjusted EBITDA to operating income (loss) (in millions).

	Three Months Ended June 30,		% Change	% Change (ex-FX)	Six Months Ended June 30,		% Change	% Change (ex-FX)
	2026	2025			2026	2025		
Revenues:								
Distribution	\$ 2,689	\$ 2,410	12 %	11 %	\$ 5,222	\$ 4,739	10 %	9 %
Advertising	306	282	9 %	8 %	590	519	14 %	13 %
Content	84	102	(18)%	(13)%	152	190	(20)%	(20)%
Other	—	(1)	NM	NM	2	1	NM	NM
Total revenues	3,079	2,793	10 %	10 %	5,966	5,449	9 %	8 %
Costs of revenues, excluding depreciation and amortization	1,904	1,913	— %	— %	3,768	3,737	1 %	1 %
Selling, general and administrative	663	587	13 %	14 %	1,248	1,080	16 %	16 %
Adjusted EBITDA	512	293	75 %	63 %	950	632	50 %	38 %
Depreciation and amortization	329	356			661	727		
Restructuring and other charges	18	7			44	19		
Impairment and amortization of fair value step-up for content	33	39			74	86		
Impairments and loss on dispositions	1	11			1	14		
Operating income (loss)	\$ 131	\$ (120)			\$ 170	\$ (214)		

Unless otherwise indicated, the discussion of percent changes below is on an ex-FX basis.

Revenues

Distribution revenue increased 11% and 9% for the three and six months ended June 30, 2026, respectively, primarily attributable to continued growth in existing markets and the global expansion of HBO Max, including new distribution deals, partially offset by the impact of the previously disclosed domestic wholesale deal renewal that occurred in the second quarter of 2025.

Advertising revenue increased 8% and 13% for the three and six months ended June 30, 2026, respectively, primarily attributable to an increase in global ad-lite subscribers, partially offset by the absence of the NBA in 2026.

Costs of Revenues

Costs of revenues were relatively flat for the three and six months ended June 30, 2026, as higher international content costs to support HBO Max launches were offset by shifts in the overall mix of programming.

Selling, General, and Administrative Expenses

Selling, general and administrative expenses increased 14% and 16% for the three and six months ended June 30, 2026, respectively, primarily attributable to higher marketing expenses to support HBO Max launches and higher overhead costs.

Adjusted EBITDA

Adjusted EBITDA increased 63% and 38% for the three and six months ended June 30, 2026, respectively.

Studios Segment

The following table presents, for our Studios segment, revenues by type, certain operating expenses, Adjusted EBITDA and a reconciliation of Adjusted EBITDA to operating (loss) income (in millions).

	Three Months Ended June 30,		% Change	% Change (ex-FX)	Six Months Ended June 30,		% Change	% Change (ex-FX)
	2026	2025			2026	2025		
Revenues:								
Distribution	\$ 4	\$ 1	NM	NM	\$ 5	\$ 2	NM	NM
Advertising	—	—	NM	NM	—	1	NM	NM
Content	2,125	3,591	(41)%	(41)%	5,059	5,730	(12)%	(13)%
Other	199	209	(5)%	(5)%	389	382	2 %	— %
Total revenues	2,328	3,801	(39)%	(39)%	5,453	6,115	(11)%	(12)%
Costs of revenues, excluding depreciation and amortization	1,514	2,215	(32)%	(32)%	3,193	3,628	(12)%	(12)%
Selling, general and administrative	718	723	(1)%	(1)%	1,389	1,365	2 %	1 %
Adjusted EBITDA	96	863	(89)%	(89)%	871	1,122	(22)%	(26)%
Depreciation and amortization	172	169			342	339		
Restructuring and other charges	14	(1)			23	(6)		
Impairment and amortization of fair value step-up for content	42	25			101	61		
Amortization of capitalized interest for content	11	3			14	9		
Impairments and gain on dispositions	—	—			1	(1)		
Operating (loss) income	\$ (143)	\$ 667			\$ 390	\$ 720		

Unless otherwise indicated, the discussion of percent changes below is on an ex-FX basis. The Studios discussion below also includes intra-segment revenue and expense between product lines, which represented less than 3% of total revenues and operating expenses for this segment for the three and six months ended June 30, 2026, respectively. Intra-segment revenue and expense are eliminated at the Studios segment level.

Fluctuations in results for our Studios segment may occur due to various factors, including (but not limited to) the timing and number of new film releases each quarter, the timing of marketing expenses recognized relative to (i.e., prior to) a film's release, and the mix of content distributed each period.

Revenues

Content revenue decreased 41% for the three months ended June 30, 2026, primarily attributable to a 46% decrease in theatrical product revenue, and a 45% decrease in television product revenue, partially offset by a 45% increase in games revenue.

- The decrease in theatrical product revenue was primarily driven by lower film rental revenue due to the current quarter slate in relation to the strong performance of *A Minecraft Movie*, *Sinners*, and *Final Destination Bloodlines*, which were released in the second quarter of 2025.
- The decrease in television product revenue was primarily attributable to lower intercompany content licensing, primarily due to the timing of renewals.
- The increase in games revenue was primarily attributable to the release of *LEGO Batman: Legacy of the Dark Knight* in the current quarter.

Content revenue decreased 13% for the six months ended June 30, 2026, primarily attributable to a 21% decrease in theatrical product revenue and a 7% decrease in television product revenue, partially offset by a 9% increase in games revenue.

- The decrease in theatrical product revenue was primarily driven by lower film rental revenue due to the current year slate in relation to the strong performance of *A Minecraft Movie*, *Sinners*, and *Final Destination Bloodlines*, which were released in the second quarter of 2025, partially offset by higher intercompany content licensing related to HBO Max international launches.
- The decrease in television product revenue was primarily attributable to lower intercompany content licensing, primarily due to the timing of renewals, partially offset by third-party content sales.
- The increase in games revenue was primarily attributable to the release of *LEGO Batman: Legacy of the Dark Night* in the current quarter, partially offset by the prior year catalog.

Costs of Revenues

Costs of revenues decreased 32% for the three months ended June 30, 2026, primarily attributable to a 41% decrease in theatrical product content expense and a 35% decrease in television product content expense, partially offset by a 52% increase in games content expense.

- The decrease in theatrical content expense was primarily due to lower film costs commensurate with lower theatrical product revenue, partially offset by impairments in the current year.
- The decrease in television product content expense was due to lower costs commensurate with lower revenues.
- The increase in games content expense was primarily due to higher games content expense commensurate with higher games revenue.

Costs of revenues decreased 12% for the six months ended June 30, 2026, primarily attributable to a 23% decrease in theatrical product content expense, an 8% decrease in television product content expense, and a 3% decrease in games content expense.

- The decrease in theatrical content expense was primarily due to lower film costs commensurate with lower theatrical product revenue, partially offset by impairments in the current year.
- The decrease in television product content expense was due to lower costs commensurate with lower revenues.
- Games content expense was relatively flat.

Selling, General and Administrative

Selling, general and administrative expenses decreased 1% and increased 1% for the three and six months ended June 30, 2026, respectively. The decrease for the three months ended June 30, 2026 was primarily attributable to lower marketing expenses, partially offset by higher overhead costs. The increase for the six months ended June 30, 2026 was primarily attributable to higher overhead costs, partially offset by lower marketing expenses.

Adjusted EBITDA

Adjusted EBITDA decreased 89% and 26% for the three and six months ended June 30, 2026, respectively.

Global Linear Networks Segment

The table below presents, for our Global Linear Networks segment, revenues by type, certain operating expenses, Adjusted EBITDA and a reconciliation of Adjusted EBITDA to operating income (in millions).

	Three Months Ended June 30,		% Change	% Change (ex-FX)	Six Months Ended June 30,		% Change	% Change (ex-FX)
	2026	2025			2026	2025		
Revenues:								
Distribution	\$ 2,265	\$ 2,477	(9)%	(9)%	\$ 4,638	\$ 5,035	(8)%	(8)%
Advertising	1,429	1,953	(27)%	(27)%	2,999	3,711	(19)%	(20)%
Content	261	287	(9)%	(12)%	607	667	(9)%	(10)%
Other	36	86	(58)%	(59)%	124	164	(24)%	(25)%
Total revenues	3,991	4,803	(17)%	(17)%	8,368	9,577	(13)%	(13)%
Costs of revenues, excluding depreciation and amortization	1,885	2,592	(27)%	(27)%	3,969	4,919	(19)%	(20)%
Selling, general and administrative	660	699	(6)%	(6)%	1,319	1,353	(3)%	(3)%
Adjusted EBITDA	1,446	1,512	(4)%	(5)%	3,080	3,305	(7)%	(8)%
Depreciation and amortization	557	829			1,178	1,736		
Employee share-based compensation	—	—			—	1		
Restructuring and other charges	33	25			75	41		
Impairment and amortization of fair value step-up for content	—	310			—	440		
Impairments and loss on dispositions	7	1			10	3		
Operating income	\$ 849	\$ 347			\$ 1,817	\$ 1,084		

Unless otherwise indicated, the discussion of percent changes below is on an ex-FX basis.

Revenues

Distribution revenue decreased 9% and 8% for the three and six months ended June 30, 2026, respectively, primarily attributable to a 10% decline in domestic linear subscribers for both periods, partially offset by 1% and 2% increases in domestic affiliate rates for the three and six months ended June 30, 2026, respectively. Declines in linear subscribers are expected to continue.

Advertising revenue decreased 27% and 20% for the three and six months ended June 30, 2026, respectively, primarily attributable to audience declines in domestic networks of 17% and 13%, respectively, which were impacted by the absence of the NBA in 2026 and had a negative impact to advertising revenue of \$414 million and \$547 million for the three and six months ended June 30, 2026, respectively. Additionally, advertising revenue benefited from the broadcast of the *NCAA Final Four* and championship game in the current year quarter.

Content revenue decreased 12% and 10% for the three and six months ended June 30, 2026, respectively, primarily attributable to the timing of third-party licensing deals.

Other revenue decreased 59% and 25% for the three and six months ended June 30, 2026, respectively, primarily attributable to the absence of the NBA in 2026.

Costs of Revenues

Costs of revenues decreased 27% and 20% for the three and six months ended June 30, 2026, respectively, primarily attributable to lower domestic sports costs due to the absence of the NBA in 2026, which had a favorable impact to costs of revenues of \$760 million and \$1,107 million for the three and six months ended June 30, 2026, respectively.

Selling, General and Administrative

Selling, general and administrative expenses decreased 6% and 3% for the three and six months ended June 30, 2026, respectively, primarily attributable to lower overhead costs, partially offset by higher marketing expenses.

Adjusted EBITDA

Adjusted EBITDA decreased 5% and 8% for the three months ended June 30, 2026, respectively.

Corporate

The following table presents our Adjusted EBITDA and a reconciliation of Adjusted EBITDA to operating loss (in millions).

	Three Months Ended June 30,		% Change	% Change (ex-FX)	Six Months Ended June 30,		% Change	% Change (ex-FX)
	2026	2025			2026	2025		
Adjusted EBITDA - Corporate	\$ (298)	\$ (316)	6 %	6 %	\$ (567)	\$ (549)	(3)%	(2)%
Depreciation and amortization	103	93			209	192		
Employee share-based compensation	187	173			337	292		
Restructuring and other charges	48	49			175	80		
Netflix Termination Fee (See Note 1)	—	—			2,800	—		
Transaction and integration costs	72	17			245	97		
Facility consolidation costs	—	4			—	9		
Impairments and loss on dispositions	15	14			25	100		
Operating loss	\$ (723)	\$ (666)			\$ (4,358)	\$ (1,319)		

Corporate operations primarily consist of executive management and administrative support services, which are recorded in selling, general and administrative expense, as well as substantially all of our share-based compensation and third-party transaction and integration costs.

Adjusted EBITDA improved 6% and declined 2% for the three and six months ended June 30, 2026, respectively. The improvement for the three months ended June 30, 2026 was primarily attributable to lower corporate overhead expense. The decline for the six months ended June 30, 2026 was primarily attributable to the release of previously recorded non-income tax reserves in 2025, partially offset by lower corporate overhead expense.

Inter-segment Eliminations

The following table presents our inter-segment eliminations by revenue and expense, Adjusted EBITDA and a reconciliation of Adjusted EBITDA to operating income (loss) (in millions).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Inter-segment revenue eliminations	\$ (682)	\$ (1,586)	\$ (2,179)	\$ (2,351)
Inter-segment expense eliminations	(805)	(1,187)	(1,927)	(1,899)
Adjusted EBITDA - Inter-segment eliminations	123	(399)	(252)	(452)
Depreciation and amortization	(2)	—	(5)	—
Impairment and amortization of fair value step-up for content	2	14	4	41
Operating income (loss)	\$ 123	\$ (413)	\$ (251)	\$ (493)

Inter-segment revenue and expense eliminations primarily represent inter-segment content transactions and marketing and promotion activity between reportable segments. In our current segment structure, in certain instances, production and distribution activities are in different segments. Inter-segment content transactions are presented at market value (i.e., the segment producing and/or licensing the content reports revenue and profit from inter-segment transactions in a manner similar to the reporting of third-party transactions, and the required eliminations are reported on the separate “Eliminations” line when presenting our summary of segment results). Generally, timing of revenue recognition is similar to the reporting of third-party transactions. The segment distributing the content, e.g., via our streaming or linear services, capitalizes the cost of inter-segment content transactions, including “mark-ups” and amortizes the costs over the shorter of the license term, if applicable, or the expected period of use. The content amortization expense related to the inter-segment profit is also eliminated on the separate “Eliminations” line when presenting our summary of segment results.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Sources of Cash

Historically, we have generated a significant amount of cash from operations. During the six months ended June 30, 2026, we funded our working capital needs primarily through cash flows from operations. As of June 30, 2026, we had \$3,369 million of cash and cash equivalents on hand. We are a well-known seasoned issuer and have the ability to conduct registered offerings of securities, including debt securities, common stock and preferred stock, on short notice, subject to market conditions. Access to sufficient capital from the public market is not assured. We have a \$4,000 million revolving credit facility and a commercial paper program described below. We also participate in a revolving receivables program and an accounts receivable factoring program described below.

- *Debt*

- First Lien Credit Facility*

- During the three months ended June 30, 2026, we and DGH entered into a First Lien Credit Agreement with JPMorgan Chase Bank, N.A and JPMorgan SE. The First Lien Credit Agreement provides for (i) 7-year \$13,000 million U.S. dollar-denominated term loans and (ii) 7-year €1,717 million Euro-denominated term loans. The First Lien Credit Agreement contains customary representations and warranties as well as affirmative and negative covenants. As of June 30, 2026, we were in compliance with all applicable covenants and there were no events of default under the First Lien Credit Agreement.

- Revolving Credit Facility and Commercial Paper*

- DCL and certain subsidiaries of the Company, as borrowers, have a multicurrency revolving credit agreement (the “Credit Agreement”) and have the capacity to borrow up to \$4,000 million under the Credit Agreement (the “Credit Facility”). DCL may also request additional commitments up to \$1,000 million from the lenders upon the satisfaction of certain conditions. The Credit Agreement contains customary representations and warranties as well as affirmative and negative covenants. As of June 30, 2026, we were in compliance with all applicable covenants and there were no events of default under the Credit Agreement.

- Additionally, our commercial paper program is supported by the Credit Facility. Under the commercial paper program, we may issue up to \$2,000 million. Borrowing capacity under the Credit Facility is effectively reduced by any outstanding issuances under the commercial paper program.

- During the six months ended June 30, 2026, we and DCL borrowed and repaid \$1,261 million under our Credit Facility and commercial paper program. As of June 30, 2026, we and DCL had no outstanding borrowings under the Credit Facility or issuances under the commercial paper program.

- *Revolving Receivables Program*

- We have a revolving agreement to transfer up to \$4,000 million of certain receivables through our bankruptcy-remote subsidiary, Warner Bros. Discovery Receivables Funding, LLC, to various financial institutions on a recurring basis in exchange for cash equal to the gross receivables transferred. We service the sold receivables for the financial institution for a fee and pay fees to the financial institution in connection with this revolving agreement. As customers pay their balances, our available capacity under this revolving agreement increases and typically we transfer additional receivables into the program. In some cases, we may have collections that have not yet been remitted to the bank, resulting in a liability. The outstanding portfolio of receivables derecognized from our consolidated balance sheets was \$3,900 million as of June 30, 2026.

- *Accounts Receivable Factoring*

- We have factoring agreements to sell certain of our non-U.S. trade accounts receivable on a limited recourse basis to a third-party financial institution. No amounts were sold under the Company’s factoring arrangement during the six months ended June 30, 2026.

Uses of Cash

Our primary uses of cash include the creation and acquisition of new content, business acquisitions, income taxes, personnel costs, costs to develop and market our enhanced streaming service HBO Max, principal and interest payments on our outstanding senior notes, funding for various equity method and other investments, and repurchases of our capital stock.

- *Content Acquisition*

We plan to continue to invest significantly in the creation and acquisition of new content, as well as certain sports rights. Contractual commitments to acquire content have not materially changed as set forth in “Material Cash Requirements from Known Contractual and Other Obligations” in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2025 Form 10-K.

- *Debt*

- Initial Term Loans and Bridge Loan Agreement*

During the three months ended June 30, 2026, we used net proceeds from the Initial Term Loans, together with cash on the balance sheet, to repay in full \$15,000 million of outstanding loans under the Bridge Loan Agreement. Additionally, we repaid \$250 million of aggregate principal amount outstanding of the Initial Term Loans.

- Senior Notes*

During the six months ended June 30, 2026, we repurchased or repaid \$123 million of aggregate principal amount outstanding of our senior notes. In addition, we had \$16 million of senior notes that were due in July 2026, and an additional \$1,480 million of senior notes coming due through June 2027.

We may from time to time seek to prepay, retire or purchase our other outstanding indebtedness through prepayments, redemptions, open market purchases, privately negotiated transactions, tender offers, exchange offers, or otherwise. Any such repurchases or exchanges will be dependent upon several factors, including our liquidity requirements, contractual restrictions, general market conditions, as well as applicable regulatory, legal and accounting factors. Whether or not we repurchase or exchange any debt and the size and timing of any such repurchases or exchanges will be determined at our discretion.

- *Capital Expenditures*

We effected capital expenditures of \$544 million during the six months ended June 30, 2026, including amounts capitalized to support HBO Max. We expect to continue to incur significant costs to develop and market HBO Max.

- *Investments and Business Combinations*

Our uses of cash have included investments in equity method investments and equity investments without readily determinable fair value. (See Note 7 to the accompanying consolidated financial statements.) We also provide funding to our investees from time to time. During the six months ended June 30, 2026, we contributed \$25 million for investments in and advances to our investees.

- *Redeemable Noncontrolling Interest and Noncontrolling Interest*

Distributions to redeemable noncontrolling interests and noncontrolling interests totaled \$144 million and \$174 million for the six months ended June 30, 2026 and 2025, respectively.

- *Income Taxes and Interest*

We expect to continue to make payments for income taxes and interest on our outstanding First Lien Credit Facility and senior notes. During the six months ended June 30, 2026, we made cash payments of \$588 million and \$1,260 million for income taxes and interest on our outstanding debt, respectively.

Cash Flows

The following table presents changes in cash and cash equivalents (in millions).

	Six Months Ended June 30,	
	2026	2025
Cash, cash equivalents, and restricted cash, beginning of period	\$ 4,570	\$ 5,416
Cash provided by operating activities	640	1,536
Cash used in investing activities	(499)	(431)
Cash used in financing activities	(1,273)	(1,886)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(65)	256
Net change in cash, cash equivalents, and restricted cash	(1,197)	(525)
Cash, cash equivalents, and restricted cash, end of period	\$ 3,373	\$ 4,891

Operating Activities

Cash provided by operating activities was \$640 million and \$1,536 million during the six months ended June 30, 2026 and 2025, respectively. The decrease in cash provided by operating activities was primarily attributable to a decrease in net income excluding non-cash items and an increase in cash used from working capital activity.

Investing Activities

Cash used in investing activities was \$499 million and \$431 million during the six months ended June 30, 2026 and 2025, respectively. The increase in cash used in investing activities was primarily attributable to reduced proceeds from the sale of assets and investments during the six months ended June 30, 2026.

Financing Activities

Cash used in financing activities was \$1,273 million and \$1,886 million during the six months ended June 30, 2026 and 2025, respectively. The decrease in cash used in financing activities was primarily attributable to lower net debt repayments, partially offset by proceeds received for the contribution of 70% of our music catalog to a joint venture in 2025 and higher amounts paid to settle share-based awards.

Capital Resources

As of June 30, 2026, capital resources were comprised of the following (in millions).

	June 30, 2026		
	Total Capacity	Outstanding Indebtedness	Unused Capacity
Cash and cash equivalents	\$ 3,369	\$ —	\$ 3,369
Revolving credit facility and commercial paper program	4,000	—	4,000
Term loans	14,708	14,708	—
Senior notes ^(a)	17,694	17,694	—
Total	\$ 39,771	\$ 32,402	\$ 7,369

^(a) Interest on the senior notes is paid annually or semi-annually. Our senior notes outstanding as of June 30, 2026 had interest rates that ranged from 1.90% to 8.30% and will mature between 2026 and 2062.

We expect that our cash balance, cash generated from operations and availability under the Credit Agreement will be sufficient to fund our cash needs for the next 12 months. Additionally, our borrowing costs and access to capital markets can be affected by short and long-term debt ratings assigned by independent rating agencies which are based, in part, on our performance as measured by credit metrics such as interest coverage and leverage ratios. Credit rating agencies may continue to review and adjust our ratings or outlook. For example, in 2025, S&P, Moody's and Fitch downgraded certain of our ratings in part due to declines in our linear business, including as a result of the weak operating environment for linear networks, our leverage ratio, and an increase in secured debt and uncertainty in connection with the previously planned separation of Warner Bros.

The 2017 Tax Cuts and Jobs Act features a participation exemption regime with current taxation of certain foreign income and imposed a mandatory repatriation toll tax on unremitted foreign earnings. As of June 30, 2026, the Company intends to remit certain previously undistributed foreign earnings to the United States. Accordingly, the Company has recorded deferred taxes for applicable foreign withholding associated with the expected remittance. The Company may continue to reinvest other foreign earnings outside of the United States. For those earnings, if any, that remain indefinitely reinvested, additional taxes would be recognized upon repatriation. Determination of the amount of any unrecognized deferred income tax liability related to such earnings is not practicable.

Summarized Guarantor Financial Information

Basis of Presentation

As of June 30, 2026 and December 31, 2025, the Company has outstanding senior notes issued by DCL, which are guaranteed by the Company, Scripps Networks, and DGH; senior notes issued by DGH, which are guaranteed by the Company, Scripps Networks, and DCL; and senior notes issued by the legacy WarnerMedia Business (not guaranteed). (See Note 8 to the accompanying consolidated financial statements.) DCL, Scripps Networks, and DGH are wholly owned by the Company.

The tables below present the summarized financial information as combined for Warner Bros. Discovery, Inc. (the “Parent”), Scripps Networks, DCL, and DGH (collectively, the “Obligors”). All guarantees of DCL and DGH’s senior notes (the “Note Guarantees”) are full and unconditional, joint and several and unsecured, and cover all payment obligations arising under the senior notes.

Note Guarantees issued by Scripps Networks, DCL or DGH, or any subsidiary of the Parent that in the future issues a Note Guarantee (each, a “Subsidiary Guarantor”) may be released and discharged (i) concurrently with any direct or indirect sale or disposition of such Subsidiary Guarantor or any interest therein, (ii) at any time that such Subsidiary Guarantor is released from all of its obligations under its guarantee of payment, (iii) upon the merger or consolidation of any Subsidiary Guarantor with and into DCL, DGH or the Parent or another Subsidiary Guarantor, as applicable, or upon the liquidation of such Subsidiary Guarantor and (iv) other customary events constituting a discharge of the Obligors’ obligations.

Summarized Financial Information

The Company has included the accompanying summarized combined financial information of the Obligors after the elimination of intercompany transactions and balances among the Obligors and the elimination of equity in earnings from and investments in any subsidiary of the Parent that is a non-guarantor (in millions).

	June 30, 2026	December 31, 2025
Current assets	\$ 1,497	\$ 914
Non-guarantor intercompany trade (payables) receivables, net	(62)	78
Noncurrent assets	3,848	3,951
Current liabilities	5,165	1,072
Noncurrent liabilities	31,714	33,733
		Six Months Ended June 30, 2026
Revenues	\$	794
Operating loss		(3,222)
Net loss		(4,055)
Net loss available to Warner Bros. Discovery, Inc.		(4,055)

MATERIAL CASH REQUIREMENTS FROM KNOWN CONTRACTUAL AND OTHER OBLIGATIONS

In the normal course of business, we enter into commitments for the purchase of goods or services that require us to make payments or provide funding in the event certain circumstances occur. Our contractual commitments have not materially changed as set forth in “Material Cash Requirements from Known Contractual and Other Obligations” in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2025 Form 10-K.

RELATED PARTY TRANSACTIONS

In the ordinary course of business, we enter into transactions with related parties, such as our equity method investees, entities that share common directorship, or minority partners of consolidated subsidiaries. (See Note 14 to the accompanying consolidated financial statements.)

CRITICAL ACCOUNTING ESTIMATES

Our critical accounting estimates have not changed since December 31, 2025. For a discussion of each of our critical accounting estimates, including information and analysis of estimates and assumptions involved in their application, see “Critical Accounting Estimates” included in Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2025 Form 10-K.

NEW ACCOUNTING AND REPORTING PRONOUNCEMENTS

We adopted certain new accounting and reporting standards during the six months ended June 30, 2026. (See Note 1 to the accompanying consolidated financial statements.)

CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements in this Quarterly Report on Form 10-Q constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our business, marketing and operating strategies, integration of acquired businesses, new product and service offerings, financial prospects and anticipated sources and uses of capital. Words such as “anticipate,” “assume,” “believe,” “continue,” “estimate,” “expect,” “forecast,” “future,” “intend,” “plan,” “potential,” “predict,” “project,” “strategy,” “target” and similar terms, and future or conditional tense verbs like “could,” “may,” “might,” “should,” “will” and “would,” among other terms of similar substance used in connection with any discussion of future operating or financial performance identify forward-looking statements. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be accomplished. The following is a list of some, but not all, of the factors that could cause actual results or events to differ materially from those anticipated:

- the completion of the proposed transaction with PSKY pursuant to which PSKY will acquire the Company (the “PSKY Merger”) on the anticipated terms and timing;
- the occurrence of any event, change or other circumstance that could give rise to the termination of the PSKY Merger, including the risk that the necessary regulatory approvals for the PSKY Merger may not be obtained or are obtained subject to unanticipated conditions;
- failure to satisfy in a timely manner any of the conditions to the PSKY Merger or complete the PSKY Merger in a timely or favorable manner or at all;
- the effects of the announcement, pendency or completion of the PSKY Merger on our ongoing business operations or on the market price of WBD Common Stock;
- unforeseen costs, execution risks, and operational challenges related to the PSKY Merger, including risks relating to disruption of management time away from ongoing business operations;
- more intense competitive pressure from existing or new competitors in the industries in which we operate;
- reduced spending on domestic and foreign television advertising, due to macroeconomic conditions, industry or consumer behavior trends or unexpected reductions in our number of subscribers;
- the imposition of tariffs, including tariffs directly or indirectly applicable to our industry, by the U.S. government and any retaliatory tariffs from foreign governments;
- uncertainties associated with product and service development and market acceptance, including the development and provision of programming for new television and telecommunications technologies, and the success of our streaming services;
- market demand for foreign first-run and existing content libraries;
- negative publicity or damage to our brands, reputation or talent;
- realizing streaming subscriber goals;
- disagreements with our distributors or other business partners;
- continued consolidation of distribution customers and production studios;
- industry trends, including the timing of, and spending on, sports programming, feature film, television and television commercial production;
- the possibility or duration of an industry-wide strike, such as the strikes of the Writers Guild of America (“WGA”) and Screen Actors Guild-American Federation of Television and Radio Artists (“SAG-AFTRA”) in 2023, player lock-outs or other job action affecting a major entertainment industry union, athletes or others involved in the development and production of our sports programming, television programming, feature films and interactive entertainment (e.g., games) who are covered by collective bargaining agreements;
- inherent uncertainties involved in the estimates and assumptions used in the preparation of financial forecasts;
- our level of debt, including the significant indebtedness incurred in connection with the acquisition of the WarnerMedia Business, and our future compliance with debt covenants;
- challenges related to obtaining or consummating financing or refinancing on favorable terms in a timely manner or at all;
- changes to our corporate or debt-specific credit ratings or outlook;

- changes in, or failure or inability to comply with, laws and government regulations, including, without limitation, regulations of the U.S. government and other international governments, the Federal Communications Commission and similar authorities internationally and data privacy regulations;
- adverse outcomes of legal proceedings or disputes, including those related to the PSKY Merger, or adverse outcomes from regulatory proceedings;
- threatened or actual cyber-attacks and cybersecurity breaches;
- theft of our content and unauthorized duplication, distribution and exhibition of such content; and
- general economic and business conditions, fluctuations in foreign currency exchange rates, global events such as pandemics, natural disasters impacting the geographic areas where our businesses and operations are located, and political uncertainty, armed conflict, or unrest in the markets in which we operate.

Forward-looking statements are subject to various risks and uncertainties which change over time, are based on management's expectations and assumptions at the time the statements are made and are not guarantees of future results.

These risks have the potential to impact the recoverability of the assets recorded on our balance sheets, including goodwill and other intangibles. Management's expectations and assumptions, and the continued validity of any forward-looking statements we make, cannot be foreseen with certainty and are subject to change due to a broad range of factors affecting the U.S. and global economies and regulatory environments, factors specific to the Company, and other factors described under Part I, Item 1A, "Risk Factors," in our 2025 Form 10-K. These forward-looking statements and such risks, uncertainties, and other factors speak only as of the date of this Quarterly Report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions, or circumstances on which any such statement is based.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk.

Quantitative and qualitative disclosures about our existing market risk are set forth in Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," in the 2025 Form 10-K. Our exposures to market risk have not materially changed since December 31, 2025.

ITEM 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2026. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of June 30, 2026, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

During the three months ended June 30, 2026, there were no changes in our internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f), that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

From time to time, in the normal course of its operations, the Company is subject to various litigation matters and claims, including claims related to employees, stockholders, vendors, other business partners, government regulations, or intellectual property, as well as disputes and matters involving counterparties to contractual agreements. A determination as to the amount of the accrual required for such contingencies is highly subjective and requires judgment about future events.

The Company may not currently be able to estimate the reasonably possible loss or range of loss for certain matters until developments in such matters have provided sufficient information to support an assessment of such loss. In the absence of sufficient information to support an assessment of the reasonably possible loss or range of loss, no accrual for such contingencies is made and no loss or range of loss is disclosed. (See Note 15 to the accompanying consolidated financial statements.) Although the outcome of these matters cannot be predicted with certainty and the impact of the final resolution of these matters on the Company's results of operations in a particular subsequent reporting period is not known, management does not currently believe that the resolution of these matters will have a material adverse effect on the Company's future consolidated financial position, future results of operations, or cash flows.

Consolidated Derivative Action. Between December 20, 2024 and January 14, 2025, four stockholder derivative complaints were filed in the United States District Court for the Southern District of New York (*Roy v. Zaslav et al.*, No. 1:24-cv-09856-AT, *Hollin v. Zaslav et al.*, No. 1:24-cv-09885-AT, *KO v. Zaslav et al.*, No. 1:25-cv-00114-AT, and *Herman, III v. Chen et al.*, No. 1:25-cv-00352-AT). Each complaint names certain current and former directors and officers of WBD as defendants and WBD as nominal defendant, and each complaint seeks damages and other relief. The complaints generally assert claims against the defendants, derivatively on behalf of WBD, for alleged breaches of fiduciary duty based on the same facts alleged in a securities class action complaint that was filed in the United States District Court for the Southern District of New York (*Collura v. Warner Bros. Discovery, Inc.*, No. 1:24-cv-09027-KPF), which was dismissed on March 30, 2026. The four complaints assert various common law causes of action, including breach of fiduciary duties, aiding and abetting breach of fiduciary duties, abuse of control, unjust enrichment, gross mismanagement, and waste of corporate assets, as well claims for violations of Sections 14(a), 10(b), and 21D of the Exchange Act. On January 21, 2025, the court consolidated the four actions for all purposes under Case No. 1:24-cv-09856-AT, captioned as *In re Warner Bros. Discovery, Inc. Derivative Litigation* (the "Consolidated Derivative Action"). On February 19, 2025, the court stayed the Consolidated Derivative Action pending resolution of a final decision on all motions to dismiss the operative complaint in the *Collura* securities action. On June 15, 2026, following the dismissal of the *Collura* securities action, the court entered an order dismissing the consolidated derivative action.

Individual Stockholder Action. On April 2, 2026, an individual action was filed in the Supreme Court of the State of New York, County of Richmond (*Nicosia v. Di Piazza, Jr., et al.*, Index No. 150851/2026). The complaint was brought by a purported stockholder of WBD and it named as defendants WBD, members of the WBD board of directors, and PSKY. The complaint alleged that the proxy statement disseminated to WBD stockholders in connection with the proposed transaction with PSKY contains materially false and misleading statements and omissions concerning, among other things, the alleged personal financial benefits of WBD's directors and officers, the alleged conflicts of WBD's financial advisors, and the process underlying and valuation of the proposed transaction. Following the issuance of certain supplemental disclosures via Form DEFA14A on April 16, 2026, the plaintiff voluntarily dismissed the litigation with prejudice on April 20, 2026.

Nokia Litigation. Over the past several years, Nokia Corporation and Nokia Technologies Oy (collectively, "Nokia") have alleged that WBD is infringing on their portfolio of patents related to the delivery of streaming video. On November 1, 2025, Nokia brought suit against WBD in certain jurisdictions, and WBD and Dplay Entertainment Limited brought suit in other jurisdictions, and filed a rate-setting proceeding in the High Court of Justice of England and Wales (the "Court") against Nokia seeking a determination of a reasonable and non-discriminatory ("RAND") royalty rate for a global license to certain Nokia patents, including standard-essential patents related to the H.264/AVC and H.265/HEVC standards and other non-essential multimedia patents. In June 2026, the Court determined that WBD is required to make an interim license payment to Nokia during the pendency of the litigation, which includes refundable and non-refundable components, and trial is currently scheduled for late 2026. As of June 30, 2026, the Company recorded an immaterial liability related to this matter. The amount of any adjustment to this liability as an outcome from the rate-setting process cannot be reasonably estimated.

State Attorney General Complaint. On July 13, 2026, a coalition of state attorneys general from twelve states (the “States”) filed a complaint in the United States District Court for the Northern District of California seeking to enjoin PSKY’s proposed acquisition of WBD. The States allege that the PSKY Merger violates Section 7 of the Clayton Act because it is likely to substantially lessen competition in the distribution of certain theatrical films and the licensing of basic cable channels to distributors in the United States. On July 13, 2026, the States sought a temporary restraining order to prohibit PSKY and WBD from closing the transaction before the court decides whether the PSKY Merger is unlawful under Section 7 of the Clayton Act. On July 16, 2026, PSKY and WBD filed an opposition to the States’ motion for a temporary restraining order. On July 17, 2026, the court held a hearing on the States’ motion for a temporary restraining order. On July 20, 2026, the court granted the States’ motion for a temporary restraining order, prohibiting PSKY and WBD from closing the PSKY Merger. On July 23, 2026, the court extended the temporary restraining order to August 17, 2026. On July 24, 2026, defendants agreed not to complete the PSKY Merger until the earlier of (i) five days after the merits determination in this matter or (ii) June 1, 2027, and the court canceled the briefing schedule and hearing date for the States’ motion for preliminary injunction. On August 4, 2026, the court entered an order for a single 12-day trial beginning March 2, 2027 and ending March 19, 2027 covering both the States and WGA (as defined below) cases.

Writers Guild of America Complaint. On July 14, 2026, the Writers Guild of America West and Writers Guild of America East (collectively, the “WGA”) filed a complaint in the United States District Court for the Northern District of California seeking to enjoin PSKY’s proposed acquisition of WBD. The WGA alleges that the PSKY Merger violates Section 7 of the Clayton Act because it will substantially lessen competition for writing services for WGA-covered “anticipated top grossing films,” writing services for episodic television shows, and writing services of writers under overall deals. The WGA sought a preliminary injunction blocking the PSKY Merger, along with attorneys’ fees and costs. The same district court judge who is presiding over the States’ complaint is presiding over the WGA case. On July 24, 2026, defendants agreed not to complete the PSKY Merger until the earlier of (i) five days after the merits determination in this matter or (ii) June 1, 2027, and the WGA’s motion for preliminary injunction was withdrawn. On August 4, 2026, the court entered an order for a single 12-day trial beginning March 2, 2027 and ending March 19, 2027 covering both the States and WGA cases.

ITEM 1A. Risk Factors

Investors should carefully review and consider the information regarding certain factors that could materially affect our business, results of operations, financial condition, and cash flows as set forth under Part I, Item 1A “Risk Factors” of the Company’s 2025 Form 10-K. Additional risks and uncertainties not presently known to us or that we currently believe not to be material may also adversely impact our business, results of operations, financial position, and cash flows.

ITEM 6. Exhibits.

Exhibit No.	Description
4.1	<u>Twenty-Fourth Supplemental Indenture, dated May 26, 2026, among Discovery Communications, LLC, as the issuer, the guarantors from time to time party thereto and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee (incorporated by reference to Exhibit 4.1 to the Form 8-K filed on May 27, 2026 (SEC File No. 001-34177)).</u>
4.2	<u>Third Supplemental Indenture, dated May 26, 2026, among Discovery Global Holdings, Inc., as the issuer, the guarantors from time to time party thereto and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.2 to the Form 8-K filed on May 27, 2026 (SEC File No. 001-34177)).</u>
4.3	<u>Fourth Supplemental Indenture, dated May 26, 2026, among Discovery Global Holdings, Inc., as the issuer, the guarantors from time to time party thereto and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.3 to the Form 8-K filed on May 27, 2026 (SEC File No. 001-34177)).</u>
10.1	<u>Employment Agreement between Gunnar Wiedenfels, Warner Bros. Discovery, Inc. and Discovery Communications, LLC, dated April 29, 2026 (incorporated by reference to Exhibit 10.1 to the Form 8-K filed on April 30, 2026 (SEC File No. 001-34177)).</u> ²² *
10.2	<u>First Lien Credit Agreement, dated as of June 4, 2026, among Warner Bros. Discovery, Inc., Discovery Global Holdings, Inc., the designated subsidiary borrowers from time to time party thereto, each lender from time to time party thereto, JPMorgan Chase Bank, N.A., as U.S. administrative agent and collateral agent and J.P. Morgan SE, as non-U.S. administrative agent (incorporated by reference to Exhibit 10.1 to the Form 8-K filed on June 4, 2026 (SEC File No. 001-34177)).</u> ²²
10.3	<u>Fourth Amendment to Fourth Amended and Restated Receivables Purchase Agreement, dated as of June 12, 2026, by and among Warner Bros. Discovery Receivables Funding, LLC, the other persons from time to time party thereto, PNC Bank, National Association, Turner Broadcasting System, Inc. and PNC Capital Markets LLC (filed herewith).</u> ²²
10.4	<u>Fifth Amendment to Fourth Amended and Restated Receivables Purchase Agreement, dated as of July 17, 2026, by and among Warner Bros. Discovery Receivables Funding, LLC, the other persons from time to time party thereto, PNC Bank, National Association, Turner Broadcasting System, Inc. and PNC Capital Markets LLC (filed herewith).</u> ²²
10.5	<u>Form of Warner Bros. Discovery, Inc. 2026 RSU Grant Agreement for Non-Employee Directors (filed herewith).</u> *
22	<u>Table of Senior Notes, Issuer and Guarantors (incorporated by reference to Exhibit 22 to the Form 10-K filed on February 27, 2026 (File No. 001-34177)).</u>
31.1	<u>Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as Amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).</u>
31.2	<u>Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as Amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).</u>
32.1	<u>Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</u>
32.2	<u>Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).</u>
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document (filed herewith) [†]
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document (filed herewith) [†]
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document (filed herewith) [†]

101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document (filed herewith)†
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document (filed herewith)†
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

⁽¹⁾ Exhibits, schedules and annexes have been omitted pursuant to Item 601(a)(5) of Regulation S-K and will be supplementally provided to the SEC upon request.

* Indicates management contract or compensatory plan, contract or arrangement.

† Attached as Exhibit 101 to this Quarterly Report on Form 10-Q are the following formatted in Inline XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets as of June 30, 2026 and December 31, 2025, (ii) Consolidated Statements of Operations for the three and six months ended June 30, 2026 and 2025, (iii) Consolidated Statements of Comprehensive Income for the three and six months ended June 30, 2026 and 2025, (iv) Consolidated Statements of Cash Flows for the six months ended June 30, 2026 and 2025, (v) Consolidated Statements of Equity for the three and six months ended June 30, 2026 and 2025, and (vi) Notes to Consolidated Financial Statements.

SIGNATURES

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

WARNER BROS. DISCOVERY, INC.
(Registrant)

Date: August 6, 2026

By: /s/ David M. Zaslav
David M. Zaslav
President and Chief Executive Officer

Date: August 6, 2026

By: /s/ Gunnar Wiedenfels
Gunnar Wiedenfels
Chief Financial Officer

**FOURTH AMENDMENT TO
FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT**

This FOURTH AMENDMENT TO FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT (this "*Amendment*"), dated as of June 12, 2026, is by and among WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC (formerly known as AT&T Receivables Funding II, LLC), a Delaware limited liability company, as Seller (together with its successors and assigns, the "*Seller*"); TURNER BROADCASTING SYSTEM, INC., a Delaware corporation, in its individual capacity ("*Turner*") and as initial Servicer (in such capacity, together with its successors and assigns in such capacity, the "*Servicer*"); the Persons party hereto as Committed Purchasers (the "*Committed Purchasers*"), Conduit Purchasers (the "*Conduit Purchasers*" and, together with the Committed Purchasers, the "*Purchasers*"), and Group Agents (the "*Group Agents*"); PNC BANK, NATIONAL ASSOCIATION ("*PNC*"), as Administrative Agent (in such capacity together with its successors and assigns in such capacity, the "*Administrative Agent*"); and PNC CAPITAL MARKETS LLC, a Pennsylvania limited liability company, as Structuring Agent (the "*Structuring Agent*") and as Sustainability Agent (the "*Sustainability Agent*").

W I T N E S S E T H:

WHEREAS, the Seller, the Servicer, the Purchasers, the Group Agents, the Administrative Agent, and the Structuring Agent are party to that certain Fourth Amended and Restated Receivables Purchase Agreement dated as of August 30, 2022 (as amended, supplemented, waived or otherwise modified from time to time, the "*Receivables Purchase Agreement*").

WHEREAS, the Seller, the Servicer, the Purchasers, the Group Agents, the Administrative Agent, the Structuring Agent, and the Sustainability Agent hereby agree to make certain amendments, as permitted by Section 14.01 of the Receivables Purchase Agreement, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged by the parties, the Seller, the Servicer, the Purchasers, the Group Agents, the Administrative Agent, and the Structuring Agent hereto agree as follows:

SECTION 1. DEFINITIONS. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Receivables Purchase Agreement.

SECTION 2. AMENDMENTS. Subject to the satisfaction of the conditions precedent set forth in Section 4 below, the parties hereto agree that the Receivables Purchase Agreement shall be amended with text marked in underline (e.g., addition or addition) indicating additions to the Receivables Purchase Agreement and with text marked in strikethrough (e.g., ~~deletion~~ or ~~deletion~~) indicating deletions to the Receivables Purchase Agreement as set forth in Exhibit A attached hereto.

SECTION 3. REPRESENTATIONS OF THE SELLER AND THE SERVICER. Each of the Seller and the Servicer hereby represent and warrant to the parties hereto that as of the date hereof each of the representations and warranties contained in Article VII of the Receivables Purchase Agreement and any other Transaction Documents to which it is a party are true and correct in all material respects as of the date hereof and after giving effect to this Amendment (except to the extent that such representations and warranties expressly refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date).

Each of the Seller and the Servicer have the power and authority to execute, deliver and perform this Amendment and the other Transaction Documents (if any) called for hereby. The Seller and the Servicer have taken all necessary action (including, without limitation, obtaining approval of its equity holders, if necessary) to authorize its execution, delivery and performance of this Amendment and the other Transaction Documents (if any) called for hereby. This Amendment and the other Transaction Documents (if any) called for hereby have been duly executed and delivered by each of the Seller and the Servicer and constitute the legal, valid and binding obligation of the Seller and the Servicer, enforceable against them in accordance with their terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditor rights generally or by equitable principles relating to enforceability. The execution, delivery and performance of, and the consummation of the transactions contemplated by, this Amendment and the other Transaction Documents to which each of the Seller and Servicer is a party, and the fulfillment of the terms hereof and thereof, will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under its organizational documents or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument to which each of the Seller and Servicer is a party or by which it or any of its properties is bound, (ii) result in the creation or imposition of any Adverse Claim upon any of the Sold Assets or Seller Collateral pursuant to the terms of any such indenture, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument other than the Receivables Purchase Agreement and the other Transaction Documents or (iii) conflict with or violate any Applicable Law.

SECTION 4. CONDITIONS PRECEDENT. This Amendment shall become effective and be deemed effective as of the date first written above upon the satisfaction or waiver of the following conditions precedent:

- (a) the Administrative Agent shall have received a fully executed counterpart of this Amendment from each of the other parties hereto;
- (b) the Performance Guarantor shall have executed and delivered to the Administrative Agent a Reaffirmation, Acknowledgement, and Consent of Performance Guarantor;
- (c) the Administrative Agent shall have received a fully executed counterpart of the Fourth Amended and Restated Fee Letter from each of the other parties thereto;

(d) the Structuring Agent shall have received a fully executed counterpart of the Fourth Amended and Restated Arrangement Fee Letter from each of the other parties thereto;

(e) all fees and expenses payable by the Seller on the date hereof to the Structuring Agent and the Purchaser Parties shall have been paid in full in accordance with the terms of the Transaction Documents;

(f) each representation and warranty of the Seller and the Servicer contained herein or in any other Transaction Document (after giving effect to this Amendment) shall be true and correct in all material respects (except to the extent that such representations and warranties expressly refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date); and

(g) no Unmatured Event of Termination or Event of Termination shall have occurred and be continuing.

SECTION 5. COUNTERPARTS. This Amendment may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart hereof by facsimile or other electronic means shall be equally effective as delivery of an originally executed counterpart.

SECTION 6. SEVERABILITY. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 7. GOVERNING LAW AND JURISDICTION. Sections 14.07, 14.10 and 14.11 of the Receivables Purchase Agreement are incorporated in this Amendment by reference as if such provisions were set forth herein *mutatis mutandis*.

SECTION 8. HEADINGS. The headings of this Amendment are provided solely for convenience of reference and shall not affect the meaning or interpretation of any provision of this Amendment.

SECTION 9. EQUALIZATION OF AGGREGATE CAPITAL AND COMMITMENTS. All Capital outstanding under the Receivables Purchase Agreement on the date hereof (and which has not been satisfied on the date hereof) shall continue to remain outstanding under the Receivables Purchase Agreement and, in connection therewith, each of the Committed Purchasers hereto (or the Related Conduit Purchasers on their behalf) each agree to make such purchases and sales of the Capital of the other Purchasers as the Administrative Agent shall determine may be necessary in order for each Committed Purchaser (or its Related Conduit Purchasers on its behalf) to hold such Capital in accordance with its Percentage after giving effect to this Amendment. Such purchases and sales shall be arranged through the Administrative Agent and each Purchaser

hereby agrees to execute such further instruments and documents, if any, as the Administrative Agent may reasonably request in connection therewith. The Seller hereby consents to such transfers. The parties hereto agree that such transfers shall be deemed to be, and satisfy the conditions to, assignments under Section 14.03 of the Receivables Purchase Agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGES.]

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

WARNER BROS. DISCOVERY RECEIVABLES
FUNDING, LLC

By: /s/ Fraser Woodford
Name: Fraser Woodford
Title: Executive Vice President and
Treasurer

TURNER BROADCASTING SYSTEM, INC.,
as the Servicer

By: /s/ Fraser Woodford
Name: Fraser Woodford
Title: Executive Vice President and
Treasurer

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: /s/ Imad Naja
Name: Imad Naja
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as Group Agent for the PNC Group

By: /s/ Imad Naja
Name: Imad Naja
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Imad Naja
Name: Imad Naja
Title: Senior Vice President

PNC CAPITAL MARKETS LLC,
as Structuring Agent and as Sustainability
Agent

By: /s/ Imad Naja
Name: Imad Naja
Title: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Group Agent for the Wells Group

By: /s/ Taylor Cloud
Name: Taylor Cloud
Title: Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Taylor Cloud
Name: Taylor Cloud
Title: Executive Director

MIZUHO BANK, LTD.,
as Group Agent for the Mizuho Group

By: /s/ David Krafchik
Name: David Krafchik
Title: Director

MIZUHO BANK, LTD.,
as a Committed Purchaser

By: /s/ David Krafchik
Name: David Krafchik
Title: Director

THE TORONTO-DOMINION BANK,
as Group Agent for the Toronto-Dominion
Group

By: /s/ Jamie Giles
Name: Jamie Giles
Title: Managing Director

THE TORONTO-DOMINION BANK,
as a Committed Purchaser

By: /s/ Jamie Giles
Name: Jamie Giles
Title: Managing Director

COMPUTERSHARE TRUST COMPANY OF CANADA,
in its capacity as Trustee of BANNER TRUST,
by its Financial Services Agent, TD
SECURITIES, INC.,
as a Conduit Purchaser

By: /s/ Linda Ma
Name: Linda Ma
Title: Director

BANCO SANTANDER, S.A., NEW YORK BRANCH,
as Group Agent for the Santander Group

By: /s/ Luis Moreno Fernandez
Name: Luis Moreno Fernandez
Title: Managing Director

By: /s/ Ian Sales
Name: Ian Sales
Title: Executive Director

BANCO SANTANDER, S.A., NEW YORK BRANCH,
as a Committed Purchaser

By: /s/ Luis Moreno Fernandez
Name: Luis Moreno Fernandez
Title: Managing Director

By: /s/ Ian Sales
Name: Ian Sales
Title: Executive Director

BANK OF AMERICA, NATIONAL ASSOCIATION,
as Group Agent for the Bank of America
Group

By: /s/ Chris Haynes
Name: Chris Haynes
Title: Senior Vice President

BANK OF AMERICA, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Chris Haynes
Name: Chris Haynes
Title: Senior Vice President

TRUIST BANK,
as Group Agent for the Truist Bank Group

By: /s/ Paul Cornely
Name: Paul Cornely
Title: Director

TRUIST BANK,
as a Committed Purchaser

By: /s/ Paul Cornely
Name: Paul Cornely
Title: Director

THE BANK OF NOVA SCOTIA,
as a Group Agent and a Committed
Purchaser

By: /s/ Elie Silver
Name: Elie Silver
Title: Managing Director

LIBERTY STREET FUNDING LLC,
as a Conduit Purchaser

By: /s/ Kevin J. Corrigan
Name: Kevin J. Corrigan
Title: Vice President

REAFFIRMATION, ACKNOWLEDGEMENT, AND CONSENT OF PERFORMANCE GUARANTOR

The undersigned, WARNER BROS. DISCOVERY, INC. (f/k/a Discovery, Inc.), a Delaware corporation, heretofore executed and delivered to the Administrative Agent a Performance Guaranty dated as of April 7, 2022 (the "*Performance Guaranty*"). Capitalized terms used but not otherwise defined herein have the respective meanings assigned thereto in, or by reference in, the Performance Guaranty. The undersigned hereby (i) acknowledges and consents to the Fourth Amendment to Fourth Amended and Restated Receivables Purchase Agreement dated as of the date hereof, and (ii) confirms that the Performance Guaranty and all obligations of the undersigned thereunder remain in full force and effect. The undersigned further agrees that the consent of the undersigned to any other amendment or modification to the Receivables Purchase Agreement or any of the other Transaction Documents shall not be required solely as a result of this consent having been obtained. The undersigned acknowledges that the Administrative Agent is relying on the assurances provided herein in consenting to the Fourth Amendment to Fourth Amended and Restated Receivables Purchase Agreement set forth above.

Dated as of June 12, 2026.

WARNER BROS. DISCOVERY, INC.

By: /s/ Fraser Woodford

Name: Fraser Woodford

Title: Executive Vice President and Treasurer

**EXHIBIT A TO FOURTH AMENDMENT TO FOURTH AMENDED AND RESTATED RECEIVABLES
PURCHASE AGREEMENT**

(ATTACHED)

CONSENT LETTER DATED AS OF JANUARY 9, 2023
FIRST AMENDMENT DATED AS OF AUGUST 11, 2023
SECOND AMENDMENT DATED AS OF JUNE 28, 2024
THIRD AMENDMENT DATED AS OF JUNE 20, 2025
FOURTH AMENDMENT DATED AS OF JUNE 12, 2026

FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

Dated as of August 30, 2022

by and among

WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC,
as Seller,

THE PERSONS FROM TIME TO TIME PARTY HERETO,
as Purchasers and as Group Agents,

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent,

TURNER BROADCASTING SYSTEM, INC.,
as initial Servicer,

and

PNC CAPITAL MARKETS LLC,
as Structuring Agent and as Sustainability Agent

TABLE OF CONTENTS

SECTION	HEADING	PAGE
ARTICLE I	DEFINITIONS	1
Section 1.01.	Certain Defined Terms.....	1
Section 1.02.	Other Interpretative Matters.....	2
Section 1.04.	SOFR Notification	2
Section 1.05.	Conforming Changes Relating to SOFR.....	2
ARTICLE II	TERMS OF THE PURCHASES AND INVESTMENTS	3
Section 2.01.	Purchase Facility	3
Section 2.02.	Making Investments; Return of Capital.....	4
Section 2.03.	Yield and Fees.....	8
Section 2.04.	Records of Investments and Capital	8
Section 2.05.	Selection of Yield Rates and Tranche Periods.....	9
Section 2.06.	Defaulting Purchasers	9
ARTICLE III	SELLER GUARANTY	11
Section 3.01.	Guaranty of Payment	11
Section 3.02.	Unconditional Guaranty.....	11
Section 3.03.	Modifications	13
Section 3.04.	Waiver of Rights.....	13
Section 3.05.	Reinstatement.....	14
Section 3.06.	Remedies.....	14
Section 3.07.	Subrogation	15
Section 3.08.	Inducement.....	15
Section 3.09.	Security Interest	15
Section 3.10.	Further Assurances.....	16
Section 3.11.	Release of Seller Collateral and Reconveyance of Certain Sold Receivables.....	17
ARTICLE IV	SETTLEMENT PROCEDURES AND PAYMENT PROVISIONS.....	17
Section 4.01.	Settlement Procedures.....	17
Section 4.02.	Payments and Computations, Etc	20
ARTICLE V	INCREASED COSTS; FUNDING LOSSES; TAXES; ILLEGALITY AND BACK-UP SECURITY INTEREST	20
Section 5.01.	Increased Costs	20
Section 5.02.	Funding Losses	23
Section 5.03.	Taxes	23
Section 5.04.	Inability to Determine SOFR Rate; Change in Legality	28
Section 5.05.	Back-Up Security Interest.....	33

ARTICLE VI	CONDITIONS TO EFFECTIVENESS AND INVESTMENTS	34
Section 6.01.	Reserved.....	34
Section 6.02.	Conditions Precedent to All Investments.....	34
Section 6.03.	Conditions Precedent to All Releases	35
Section 6.04.	Conditions Precedent to Restatement Effective Date	36
ARTICLE VII	REPRESENTATIONS AND WARRANTIES.....	36
Section 7.01.	Representations and Warranties of the Seller	36
Section 7.02.	Representations and Warranties of the Servicer	42
ARTICLE VIII	COVENANTS	46
Section 8.01.	Covenants of the Seller	46
Section 8.02.	Covenants of the Servicer	56
Section 8.03.	Separate Existence of the Seller.....	62
Section 8.04.	Covenants of the Sponsor	66
ARTICLE IX	ADMINISTRATION AND COLLECTION OF RECEIVABLES	68
Section 9.01.	Appointment of the Servicer	68
Section 9.02.	Duties of the Servicer.....	69
Section 9.03.	Collection Account Arrangements.....	70
Section 9.04.	Enforcement Rights	70
Section 9.05.	Responsibilities of the Seller	72
Section 9.06.	Servicing Fee	72
Section 9.07.	Credit Insurance Policy.....	73
ARTICLE X	EVENTS OF TERMINATION	75
Section 10.01.	Events of Termination.....	75
ARTICLE XI	THE ADMINISTRATIVE AGENT	79
Section 11.01.	Authorization and Action.....	79
Section 11.02.	Administrative Agent’s Reliance, Etc.....	79
Section 11.03.	Administrative Agent and Affiliates	79
Section 11.04.	Indemnification of Administrative Agent.....	80
Section 11.05.	Delegation of Duties	80
Section 11.06.	Action or Inaction by Administrative Agent	80
Section 11.07.	Notice of Events of Termination; Action by Administrative Agent.....	80
Section 11.08.	Non-Reliance on Administrative Agent and Other Parties.....	81
Section 11.09.	Successor Administrative Agent.....	81
Section 11.10.	Structuring Agent.....	81
Section 11.11.	Erroneous Payments.....	82
ARTICLE XII	THE GROUP AGENTS	83

Section 12.01.	Authorization and Action.....	83
Section 12.02.	Group Agent's Reliance, Etc	83
Section 12.03.	Group Agent and Affiliates.....	84
Section 12.04.	Indemnification of Group Agents	84
Section 12.05.	Delegation of Duties	84
Section 12.06.	Notice of Events of Termination.....	84
Section 12.07.	Non-Reliance on Group Agent and Other Parties.....	85
Section 12.08.	Successor Group Agent.....	85
Section 12.09.	Reliance on Group Agent.....	85
ARTICLE XIII	INDEMNIFICATION	86
Section 13.01.	Indemnities by the Seller	86
Section 13.02.	Indemnification by the Servicer.....	89
ARTICLE XIV	MISCELLANEOUS	90
Section 14.01.	Amendments, Etc	90
Section 14.02.	Notices, Etc	91
Section 14.03.	Assignability; Addition of Purchasers	92
Section 14.04.	Costs and Expenses.....	96
Section 14.05.	No Proceedings; Limitation on Payments.....	96
Section 14.06.	Confidentiality	97
Section 14.07.	GOVERNING LAW.....	98
Section 14.08.	Execution in Counterparts.....	99
Section 14.09.	Integration; Binding Effect; Survival of Termination	99
Section 14.10.	CONSENT TO JURISDICTION.....	99
Section 14.11.	WAIVER OF JURY TRIAL.....	100
Section 14.12.	Ratable Payments.....	100
Section 14.13.	Limitation of Liability.....	100
Section 14.14.	Intent of the Parties	100
Section 14.15.	USA Patriot Act	101
Section 14.16.	Reserved.....	101
Section 14.17.	Severability	101
Section 14.18.	Mutual Negotiations.....	101
Section 14.19.	Captions and Cross References.....	101
Section 14.20.	Purchaser Representation.....	101
Section 14.21.	Amendment and Restatement	102
Section 14.22.	Equalization of Aggregate Capital and Commitments	102
Section 14.23	Acknowledgement and Consent to Bail-In of Affected Financial Institutions.....	103

EXHIBITS

EXHIBIT A	—	Form of Investment Request
EXHIBIT B	—	Form of Reduction Notice
EXHIBIT C	—	Form of Assignment and Acceptance Agreement
EXHIBIT D	—	Form of Assumption Agreement
EXHIBIT E	—	[Reserved]
EXHIBIT F	—	[Reserved]
EXHIBIT G	—	Form of Information Package
EXHIBIT H	—	Form of Compliance Certificate
EXHIBIT I	—	[Reserved]
EXHIBIT I-2	—	Restatement Effective Date Closing Memorandum
EXHIBIT J	—	[Reserved]
EXHIBIT K	—	[Reserved]
EXHIBIT L	—	Defined Terms

SCHEDULES

SCHEDULE I	—	Commitments
SCHEDULE II	—	Lock-Boxes, Collection Accounts and Collection Account Banks
SCHEDULE III	—	Notice Addresses
SCHEDULE IV	—	Initial Schedule of Sold Receivables
SCHEDULE V	—	[Reserved]
SCHEDULE VI	—	Special Obligors

This Fourth Amended and Restated RECEIVABLES PURCHASE AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, this “*Agreement*”) is entered into as of August 30, 2022, by and among the following parties:

- (i) WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC (formerly known as AT&T Receivables Funding II, LLC), a Delaware limited liability company, as Seller (together with its successors and assigns, the “*Seller*”);
- (ii) the Persons from time to time party hereto as Purchasers and as Group Agents;
- (iii) PNC BANK, NATIONAL ASSOCIATION (“*PNC*”), as Administrative Agent;
- (iv) TURNER BROADCASTING SYSTEM, INC., a Delaware corporation, in its individual capacity (“*Turner*”) and as initial Servicer (in such capacity, together with its successors and assigns in such capacity, the “*Servicer*”); and
- (v) PNC CAPITAL MARKETS LLC, a Pennsylvania limited liability company, as Structuring Agent and as Sustainability Agent.

PRELIMINARY STATEMENTS

The Seller has acquired, and will acquire from time to time, Receivables from certain Originators pursuant to the Purchase and Sale Agreement. The Seller desires to sell certain of the Receivables to the Purchasers, and, in connection therewith, has requested that the Purchasers make Investments from time to time, on the terms, and subject to the conditions set forth herein.

The Seller, the Servicer, PNC, as a Purchaser and as a Group Agent, the Administrative Agent and the Structuring Agent are currently party to that certain Third Amended and Restated Receivables Purchase Agreement, dated as of July 5, 2022 (the “*Existing Receivables Purchase Agreement*”). The Seller hereby requests that certain amendments be made to the Existing Receivables Purchase Agreement and, for the sake of clarity and convenience, that the Existing Receivables Purchase Agreement be restated as so amended.

In consideration of the mutual agreements, provisions and covenants contained herein, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Certain Defined Terms. The defined terms used in this Agreement shall have the meanings as set forth in Exhibit L attached hereto (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

Section 1.02. Other Interpretative Matters. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. All terms used in Article 9 of the UCC in the State of New York and not specifically defined herein, are used herein as defined in such Article 9. Unless otherwise expressly indicated, all references herein to “Article,” “Section,” “Schedule,” “Exhibit” or “Annex” shall mean articles and sections of, and schedules, exhibits and annexes to, this Agreement. For purposes of this Agreement, the other Transaction Documents and all such certificates and other documents, unless the context otherwise requires: (a) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day; (b) the words “hereof,” “herein” and “hereunder” and words of similar import refer to such agreement (or the certificate or other document in which they are used) as a whole and not to any particular provision of such agreement (or such certificate or document); (c) references to any Article, Section, Schedule, Exhibit or Annex are references to Articles, Sections, Schedules, Exhibits and Annexes in or to such agreement (or the certificate or other document in which the reference is made), and references to any paragraph, subsection, clause or other subdivision within any Section or definition refer to such paragraph, subsection, clause or other subdivision of such Section or definition; (d) the term “including” means “including without limitation”; (e) references to any Applicable Law refer to that Applicable Law as amended from time to time and include any successor Applicable Law; (f) references to any agreement refer to that agreement as from time to time amended, restated or supplemented or as the terms of such agreement are waived or modified in accordance with its terms; (g) references to any Person include that Person’s permitted successors and assigns; (h) headings are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof; (i) unless otherwise provided, in the calculation of time from a specified date to a later specified date, the term “from” means “from and including”, and the terms “to” and “until” each means “to but excluding”; (j) terms in one gender include the parallel terms in the neuter and opposite gender; (k) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day and (l) the term “or” is not exclusive.

Section 1.03. SOFR Notification. Section 5.04(c) of this Agreement provides a mechanism for determining an alternative rate of interest in the event that the Term SOFR Rate or Daily 1M SOFR is no longer available or in certain other circumstances. The Administrative Agent does not warrant or accept any responsibility for and shall not have any liability with respect to, the administration, submission or any other matter related to the Term SOFR Rate, Daily 1M SOFR or with respect to any alternative or successor rate thereto, or replacement rate therefor, except, in the case of administration or calculation of such interest rate hereunder, liability for its own gross negligence, bad faith or willful misconduct, to the extent determined in a final, non-appealable judgment by a court of competent jurisdiction.

Section 1.04. Conforming Changes Relating to SOFR. With respect to the Term SOFR Rate and Daily 1M SOFR, the Administrative Agent will have the right, in consultation with the Seller, to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document; *provided* that, with respect to any such amendment effected, the Administrative Agent shall provide notice to the Seller and the

Purchasers of each such amendment implementing such Conforming Changes reasonably promptly after such amendment becomes effective.

ARTICLE II

TERMS OF THE PURCHASES AND INVESTMENTS

Section 2.01. Purchase Facility.

(a) *Investments.* Upon a request by the Seller pursuant to Section 2.02(a), and on the terms and subject to the conditions hereinafter set forth, the Conduit Purchasers, ratably, in accordance with the aggregate of the Commitments of the Related Committed Purchasers with respect to each such Conduit Purchaser, severally and not jointly, may, in their sole discretion, make fundings of Capital to the Seller on a revolving basis, and if and to the extent any Conduit Purchaser does not make any such funding of Capital or if any Group does not include a Conduit Purchaser, the Related Committed Purchaser(s) for such Conduit Purchaser or the Committed Purchaser for such Group, as the case may be, shall, ratably in accordance with their respective Commitments, severally and not jointly, make such funding of Capital to the Seller, in either case, from time to time during the period from the Initial Investment Date to the Termination Date. Each such funding of Capital by a Purchaser to the Seller shall constitute an Investment hereunder for all purposes. Under no circumstances shall any Purchaser be obligated to make any Investment if, after giving effect thereto:

- (i) the Aggregate Capital would exceed the Facility Limit at such time;
- (ii) the sum of (A) the Capital of such Purchaser, *plus* (B) the aggregate outstanding Capital of each other Purchaser in its Group, would exceed the Group Commitment of such Purchaser's Group;
- (iii) if such Purchaser is a Committed Purchaser, the aggregate outstanding Capital of such Committed Purchaser would exceed its Commitment; or
- (iv) the Aggregate Capital would exceed the Capital Coverage Amount at such time.

(b) *Sale of Receivables and Other Sold Assets.* In consideration of the Purchasers' respective agreements to make Investments in accordance with the terms hereof, the Seller, on the date of each Investment and on each other date occurring on or prior to the Termination Date, hereby sells, assigns and transfers to the Administrative Agent (for the ratable benefit of the Purchasers according to their Capital as increased or reduced from time to time hereunder), all of the Seller's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising (collectively, the "*Sold Assets*"): (i) all Sold Receivables, (ii) all Related Security with respect to such Sold Receivables, (iii) all Collections with respect to such Sold Receivables and (iv) all proceeds of the foregoing; *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x)

any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor. Such sales, assignments and transfers by the Seller shall, in each case, occur and be deemed to occur for all purposes in accordance with the terms hereof automatically without further action, notice or consent of any party.

(c) *Intended Characterization as a Purchase and Sale.* It is the intention of the parties to this Agreement that the transfer and conveyance of the Seller's right, title and interest in, to and under the Sold Assets to the Administrative Agent (for the ratable benefit of the Purchasers according to their Capital as increased or reduced from time to time hereunder) pursuant to this Agreement shall constitute a purchase and sale and not a pledge for security, and such purchase and sale of the Sold Assets hereunder shall be treated as a sale for all purposes (except as provided in Sections 2.01(d) and 14.14). For the avoidance of doubt, this clause (c) shall not be construed to limit or otherwise modify Section 5.05 or any rights, interests, liabilities or obligations of any party thereunder.

(d) *Obligations Not Assumed.* Notwithstanding any provision contained in this Agreement or any other Transaction Document to the contrary, the foregoing sale, assignment, transfer and conveyance set forth in Section 2.01(b) does not constitute, and is not intended to result in, the creation or an assumption by the Administrative Agent, any Group Agent or any Purchaser of any obligation or liability of the Seller, any Originator, the Servicer, or any other Person under or in connection with all, or any portion of, any Sold Assets, all of which shall remain the obligations and liabilities of the Seller, the Originators, the Servicer and such other Persons, as applicable.

(e) *Selection, Designation and Reporting of Sold Receivables.* The Seller (or the Servicer on its behalf) shall select and identify from the Pool Receivables all Sold Receivables to be sold pursuant to Section 2.01(b) in its sole discretion; *provided, however*, that the Seller shall not permit the aggregate Outstanding Balance of Sold Receivables to exceed the Aggregate Capital at any time; *provided, further*, no Receivable that is subject to any withholding Taxes shall be designated as a Sold Receivable. The Seller shall maintain (or cause the Servicer to maintain) books and records sufficient to readily identify the Sold Receivables. The Seller and Servicer shall cause all Sold Receivables to be identified on each Investment Request in accordance with Section 2.02(a) and on each Information Package delivered hereunder.

Section 2.02. Making Investments; Return of Capital. (a) The Seller may request an Investment by delivering to the Administrative Agent and each Group Agent an Investment Request in the form attached hereto as Exhibit A; *provided that*, at any time when PNC (or an Affiliate thereof) is the Administrative Agent and the Seller has entered into a PINACLE Agreement, then any request for an Investment made by the Seller using PINACLE shall constitute

an Investment Request. Each such Investment Request shall be delivered on a Business Day by no later than 1:00 p.m. (New York City time) at least two (2) Business Days prior to the day the related requested Investment is to be made, it being understood in each case that any such request made after such time specified above shall be deemed to have been made on the following Business Day. Each Investment Request shall specify (i) the amount of Capital requested (which amount shall (x) not be less than \$100,000 and shall be an integral multiple of \$100,000 and (y) after giving effect to the addition of Pool Receivables in connection with such Investment, not cause (1) a Capital Coverage Deficit to exist or (2) the Aggregate Capital to be less than an amount that is equal to the lesser of (A) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (B) the Capital Coverage Amount at such time), (ii) the allocation of such amount among the Groups (which shall be ratable based on the Group Commitments), (iii) the account to which the Capital of such Investment shall be distributed, (iv) the date such requested Investment is to be made (which shall be a Business Day) and (v) all Pool Receivables that are or, effective upon the making of such Investment, will be, Sold Receivables.

(b) (i) The Administrative Agent shall, promptly after receipt by it of an Investment Request pursuant to Section 2.02(a), notify each Group Agent of its receipt of such Investment Request specifying the information provided by the Seller and the apportionment among the Groups (which shall be ratable based on the Group Commitments) of the requested Investment. On the date of each Investment specified in the applicable Investment Request, the Purchasers shall, upon satisfaction of the applicable conditions set forth in Article VI and pursuant to the other conditions set forth in this Article II, deliver to the Administrative Agent by wire transfer of immediately available funds at the account from time to time designated in writing by the Administrative Agent, an amount equal to the portion of Capital relating to the undivided percentage ownership interest then being funded by such Purchaser. On the date of each Investment specified in the applicable Investment Request, the Administrative Agent shall, upon satisfaction of the applicable conditions set forth in Article VI and pursuant to the other conditions set forth in this Article II, make available to the Seller in same day funds an aggregate amount equal to the amount of Capital to be funded by all Purchasers, at the account set forth in the related Investment Request, provided that if any Purchaser fails to remit such funds to the Administrative Agent in a timely manner, the Administrative Agent may elect in its sole discretion to fund with its own funds the share of the Investment of such Purchaser on such date, and such Purchaser shall be subject to the repayment obligation in Section 2.02(b)(ii).

(ii) Unless the Administrative Agent shall have received notice from a Purchaser or Group Agent prior to the proposed date of any Investment that such Purchaser's or Group Agent's Group will not make available to the Administrative Agent such Group's share of such Investment, the Administrative Agent may assume that such Group has made such share available on such date in accordance with the foregoing clause (b)(i) and may, in reliance upon such assumption, make available to the Seller a corresponding amount. In such event, if a Group has not in fact made its share of the applicable Investment available to the Administrative Agent, then the Committed Purchaser in such Group and the Seller severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Seller to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Committed Purchaser, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking

industry rules on interbank compensation or (ii) in the case of the Seller, the Base Rate. If such Committed Purchaser pays such amount to the Administrative Agent, then such amount shall constitute such Committed Purchaser's Capital included in such Investment. If the Seller and such Committed Purchaser shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Seller the amount of such interest paid by the Seller for such period. Any such payment by the Seller shall be without prejudice to any claim the Seller may have against a Committed Purchaser that shall have failed to make such payment to the Administrative Agent.

(c) Each Committed Purchaser's obligation shall be several, such that the failure of any Committed Purchaser to make available to the Seller or Administrative Agent any funds in connection with any Investment shall not relieve any other Committed Purchaser of its obligation, if any, hereunder to make funds available on the date such Investments are requested (it being understood, that no Committed Purchaser shall be responsible for the failure of any other Committed Purchaser to make funds available to the Seller in connection with any Investment hereunder).

(d) The Seller shall return in full the outstanding Capital of each Purchaser on the Seller Obligation Final Due Date. Prior thereto, the Seller shall, on each Settlement Date, reduce the outstanding Capital of the Purchasers to the extent required under Section 4.01 and otherwise only in accordance with such Section 4.01 (subject to the priorities for payment set forth therein) by paying the amount of such reduction in accordance with Section 4.02. Notwithstanding the foregoing, the Seller, in its discretion, shall have the right to reduce without premium or penalty (other than any associated Breakage Fees, if applicable), in whole or in part by payment only from Collections on Pool Receivables, the outstanding Capital of any or all Purchasers (i) on any Business Day if, the amount of outstanding Capital to be reduced does not exceed \$100,000,000 by delivering a Reduction Notice in the form attached hereto as Exhibit B to the Administrative Agent and each Group Agent by no later than 3:00 p.m. on the date of such reduction or (ii) by delivering a Reduction Notice in the form attached hereto as Exhibit B to the Administrative Agent and each Group Agent one (1) Business Day prior to the date of such reduction, *provided* that, at any time when PNC (or an Affiliate thereof) is the Administrative Agent and the Seller has entered into a PINACLE Agreement, then any Reduction Notice made by the Seller using PINACLE shall constitute a Reduction Notice for purposes of this clause (d); *provided, however* that for reductions made pursuant to clause (i) or (ii) above (A) each such reduction shall not be less than \$100,000 (unless the Capital of the applicable Purchaser or the Aggregate Capital, as applicable, would be reduced to zero) and shall be an integral multiple of \$100,000; *provided, however*, that notwithstanding the foregoing, a reduction may be in an amount necessary to reduce any Capital Coverage Deficit existing at such time to zero, (B) any accrued Yield and Fees in respect of the portion(s) of Capital so reduced shall be paid in full on the immediately following Settlement Date and (C) it shall be a condition precedent to any such reduction in Capital that after giving effect to the reduction in the outstanding Capital proposed in such Reduction Notice, the outstanding Capital at such time would not be less than an amount equal to the lesser of (x) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (y) the Capital Coverage Amount at such time; provided, further, if the outstanding Capital of any Committed Purchaser is reduced to zero, the Seller may, in its discretion reduce the Commitment of such Committed Purchaser to zero.

(e) The Seller may, at any time upon at least thirty (30) days' prior written notice to the Administrative Agent and each Group Agent, terminate the Facility Limit in whole or ratably reduce the Facility Limit in part. Each partial reduction in the Facility Limit shall be in a minimum aggregate amount of \$100,000,000 (unless the Commitment of any applicable Committed Purchaser shall be reduced to zero) or integral multiples of \$100,000,000 in excess thereof, and no such partial reduction shall reduce the Facility Limit to an amount less than \$1,000,000,000. In connection with any partial reduction in the Facility Limit, the Commitment of each Committed Purchaser shall be ratably reduced. Notwithstanding the foregoing, if any Affected Person in the related Group shall have submitted a claim for reimbursement or compensation under Section 5.01 or any Purchaser in the related Group shall have become a Defaulting Purchaser, at any time upon at least one (1) day's prior written notice to the Administrative Agent and each Group Agent, reduce the Facility Limit in part by reducing the Commitment of the related Committed Purchaser on a non-ratable basis.

(f) In connection with any reduction of the Commitments, the Seller shall remit to the Administrative Agent (i) instructions regarding such reduction and (ii) for payment to the Purchasers, cash from available Collections in an amount sufficient to pay (A) the Capital of Purchasers in each Group in excess of the Group Commitment of such Group and (B) all other outstanding Seller Obligations with respect to such reduction (determined based on the ratio of the reduction of the Commitments being effected to the amount of the Commitments prior to such reduction or, if the Administrative Agent reasonably determines that any portion of the outstanding Seller Obligations is allocable solely to that portion of the Commitments being reduced or has arisen solely as a result of such reduction, all of such portion) including, without duplication, any associated Breakage Fees. Upon receipt of any such amounts, the Administrative Agent shall apply such amounts from available Collections first to the reduction of the outstanding Capital, and second to the payment of the remaining outstanding Seller Obligations with respect to such reduction, including any Breakage Fees, by paying such amounts to the Purchasers.

(g) So long as no Event of Termination or Unmatured Event of Termination has occurred and is continuing, with the prior written consent of the Administrative Agent and upon prior notice to the Purchasers, the Seller may from time to time request an increase in the Commitment with respect to one or more Committed Purchasers or cause additional Persons to become parties to this Agreement, as Purchasers, at any time following the Closing Date and prior to the Termination Date; *provided*, that any such increase in such Committed Purchasers' Commitments and the Commitments of all such additional Committed Purchasers may not exceed \$2,000,000,000 in the aggregate during the life of this Agreement; *provided*, that each request for an increase and addition shall be in a minimum amount of \$100,000,000. At the time of sending such notice with respect to any Purchaser, the Seller (in consultation with the Administrative Agent) shall specify the time period within which such Purchasers and the Administrative Agent are requested to respond to the Seller's request (which shall in no event be less than ten (10) Business Days from the date of delivery of such notice to the Administrative Agent). Each Committed Purchaser being asked to increase its Commitment and the Administrative Agent shall notify the Seller within the applicable time period whether or not such Person agrees, in its respective sole discretion, to the increase to such Committed Purchaser's Commitment. Any such Person not responding within such time period shall be deemed to have declined to consent to an increase in such Committed Purchaser's Commitment. For the avoidance of doubt, only the consent of the Purchaser then being asked to

increase its Commitment (or an additional Purchaser) and the Administrative Agent shall be required in order to approve any such request. If the Commitment of any Committed Purchaser is increased (or a new Person is added as Committed Purchaser) in accordance with this clause (g), the Administrative Agent, such Purchaser and the Seller shall determine the effective date with respect to such increase (or addition) and shall enter into such documents as agreed to by such parties to document such increase (or addition). If the Commitment of any Committed Purchaser is increased (or a new Person is added as Committed Purchaser) the Administrative Agent shall provide written notice of such increase (or addition) to each Purchaser and Group Agent.

Section 2.03. Yield and Fees. (a) On each Settlement Date, the Seller shall, in accordance with the terms and priorities for payment set forth in Section 4.01, pay to the Administrative Agent for the benefit of each Group Agent, each Purchaser, the Administrative Agent and the Structuring Agent certain fees (collectively, the “Fees”) in the amounts set forth in the fee letter agreements from time to time entered into, among the Seller, the members of the applicable Group (or their Group Agent on their behalf) and/or the Administrative Agent (each such fee letter agreement, as amended, restated, supplemented or otherwise modified from time to time, collectively being referred to herein as the “Fee Letter”). Commitment Fees (as defined in the Fee Letter) shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Purchaser and each other Purchaser in the same Group as provided in Section 2.06.

(b) Each Purchaser’s Capital shall accrue Yield on each day when such Capital remains outstanding at the then applicable Yield Rate for such Capital (or each applicable portion thereof). The Seller shall pay all Yield (including, for the avoidance of doubt, all Yield accrued on Term SOFR Tranches during a Yield Period regardless of whether the applicable Tranche Period has ended), Fees and Breakage Fees accrued during each Yield Period on each Settlement Date in accordance with the terms and priorities for payment set forth in Section 4.01.

Section 2.04. Records of Investments and Capital. Each Group Agent shall notify the Administrative Agent in writing of the date and amount of each Investment made by the Purchasers in its Group hereunder, the Yield Rate with respect to the related Capital (and each portion thereof), the Yield accrued on such Purchasers’ Capital and each repayment and payment thereof and the Administrative Agent shall record such amounts and dates in the Register pursuant to Section 14.03(c). The failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Seller hereunder or under the other Transaction Documents to repay the Capital of each Purchaser, together with all Yield accruing thereon and all other Seller Obligations.

Section 2.05. Selection of Yield Rates and Tranche Periods. (a) Subject to the following sentence, each Purchaser’s Capital (including all portions thereof) shall accrue Yield initially based on Daily 1M SOFR ~~plus the applicable SOFR Adjustment~~. Thereafter, so long as no Event of Termination has occurred and is continuing, the Seller may from time to time elect to change or continue the type of SOFR Rate and/or Tranche Period borne by the Purchasers’ Capital or, subject to the minimum amount requirement set forth in Section 2.02(a), a portion thereof by notice to the Administrative Agent not later than 11:00 a.m. (New York City time), one (1) Business Day prior to the expiration of any Tranche Period or Yield Period, as applicable, provided, that there shall not be more than three (3) Term SOFR Tranches outstanding hereunder at any one time, provided,

further, that for the avoidance of doubt, any change from Daily 1M SOFR to the Term SOFR Rate and/or any change to a Tranche Period applicable to any Capital (or portion thereof) shall not be effective until the Monthly Settlement Date occurring after the date of such request. Any such notices requesting the continuation or conversion of any Capital (or any portion thereof) to the Administrative Agent may be given by telephone, telecopy, or other telecommunication device acceptable to the Administrative Agent (which notice shall be irrevocable once given and, if by telephone, shall be promptly confirmed in writing in a manner acceptable to the Administrative Agent).

(b) If, by the time required in Section 2.05(a), the Seller fails to select a Tranche Period or SOFR Rate for any Capital (or portion thereof), such Capital (or portion thereof) shall automatically accrue Yield at Daily 1M SOFR ~~plus the applicable SOFR Adjustment~~ for the next occurring Yield Period.

Section 2.06. Defaulting Purchasers. Notwithstanding any provision of this Agreement to the contrary, if any Purchaser becomes a Defaulting Purchaser, then the following provisions shall apply for so long as such Purchaser is a Defaulting Purchaser:

(a) Commitment Fees (as defined in the Fee Letter) shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Purchaser and each other Purchaser in the same Group.

(b) The Commitment and Capital of such Defaulting Purchaser and each other Purchaser in the same Group shall not be included in determining whether the Majority Group Agents have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 14.01); *provided*, that, except as otherwise provided in Section 14.01, this clause (b) shall not apply to the vote of a Defaulting Purchaser (or other Purchaser in the same Group) in the case of an amendment, waiver or other modification requiring the consent of such Purchaser or each Purchaser directly affected thereby (if such Purchaser is directly affected thereby).

(c) In the event that one or more Committed Purchasers fails to fund any portion of its Investments (or the Capital thereof) by 8:00 a.m. (New York City time) on the Business Day following the date of the Investment specified in the related Investment Request, the Administrative Agent shall notify each of the other Committed Purchasers not later than 11:00 a.m. (New York City time) on such Business Day, and each of the other Committed Purchasers (or the Related Conduit Purchasers on their behalf) shall, upon satisfaction of the applicable conditions set forth in Article VI and pursuant to the other conditions set forth in this Article II, make available to the Seller a supplemental Investment in an amount equal to the lesser of (a) the aggregate Capital of the related Investment Request that was unfunded multiplied by such Committed Purchaser's Percentage (which for purposes of this clause will not include the aggregate Commitment of the Committed Purchaser failing to make the Investment on such prior Business Day) and (b) the excess of (i) such Committed Purchaser's Commitment over (ii) the product of such Committed Purchaser's related Percentage multiplied by all outstanding Commitments (after giving effect to the supplemental Investment on such date). In the

event that the Committed Purchasers that originally failed to fund their Investments in respect of a applicable Investment Request, have not otherwise cured such failure, such supplemental Investments shall be made by wire transfer to the Administrative Agent in Dollars in same day funds no later than 12:00 p.m. (New York City time) on the Business Day that is two (2) Business Days following the Business Day on which the notice described in the preceding sentence was received by such Committed Purchaser (it being understood that any such request received after 11:00 a.m. (New York City time) shall be deemed to have been received on the next Business Day). The Administrative Agent will make available to the Seller by wire transfer in same day funds at the account from time to time designated in writing by the Seller to the Administrative Agent the amount of such supplemental Investments no later than 4:00 p.m. (New York City time) on the day such supplemental Investments are received from the Committed Purchasers. If any Committed Purchaser which shall have failed to fund its Investment in respect of an Investment Request shall subsequently pay such amount, the Seller shall immediately remit such funds to the Administrative Agent which shall apply such amount pro rata to repay any supplemental Investments made by the other Committed Purchasers (or the related Conduit Purchasers on their behalf) pursuant to this Section 2.06(c). Any payment of principal, interest, fees or other amounts payable to the account of a Defaulting Purchaser (whether voluntary or mandatory, at maturity or otherwise) shall be applied by the Servicer first to all other Committed Purchasers on a pro rata basis prior to being applied to the payment of any Investments of such Defaulting Purchaser until such time as all Investments are held by the Committed Purchasers (or the related Conduit Purchasers on their behalf) pro rata in accordance with the Commitments. Any payments, prepayments or other amounts paid or payable to a Defaulting Purchaser that are applied to pay amounts owed by a Defaulting Purchaser pursuant to this Section 2.06(c) shall be deemed paid to and redirected by such Defaulting Purchaser, and each Committed Purchaser irrevocably consents hereto. Subject to Section 14.23, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Purchaser arising from that Committed Purchaser having become a Defaulting Purchaser. No Defaulting Purchaser or any other Purchaser in the same Group shall be entitled to receive any Commitment Fees (as defined in the Fee Letter) for any period during which that Purchaser is a Defaulting Purchaser (and the Seller shall not be required to pay any such Commitment Fees that otherwise would have been required to have been paid to that Defaulting Purchaser or any other Purchaser in the same Group for such period).

(d) In the event that the Administrative Agent, the Seller and the Servicer each agrees in writing that a Defaulting Purchaser has adequately remedied all matters that caused such Purchaser to be a Defaulting Purchaser, then on such date such Purchaser shall purchase at par such of the Capital of the other Purchasers as the Administrative Agent shall determine may be necessary in order for such Purchaser to hold such Capital in accordance with its Percentage; *provided*, that no adjustments shall be made retroactively with respect to fees accrued or payments made by or on behalf of the Seller while such Purchaser was a Defaulting Purchaser, and *provided, further*, that except to the extent otherwise agreed by the affected parties, no change hereunder from Defaulting Purchaser to Purchaser that is not a Defaulting Purchaser will constitute a waiver or release of any

claim of any party hereunder arising from that Purchaser having been a Defaulting Purchaser.

ARTICLE III

SELLER GUARANTY

Section 3.01. Guaranty of Payment. The Seller hereby absolutely, irrevocably and unconditionally guarantees to each Purchaser, the Administrative Agent and the other Secured Parties the prompt payment of the Sold Receivables by the related Obligor and all other payment obligations included in the Sold Assets (collectively, the “*Guaranteed Obligations*”), in each case, in full when due, whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise (such guaranty, the “*Seller Guaranty*”). The Seller Guaranty is a guaranty of payment and not of collection and is a continuing irrevocable guaranty and shall apply to all Guaranteed Obligations whenever arising. To the extent the obligations of the Seller hereunder with respect to the Seller Guaranty shall be adjudicated to be invalid or unenforceable for any reason (including because of any applicable state or federal Law relating to fraudulent conveyances or transfers) then such obligations of the Seller shall be limited to the maximum amount that is permissible under Applicable Law (whether federal or state or otherwise and including the Bankruptcy Code and any other applicable bankruptcy, insolvency, reorganization or other similar laws).

Section 3.02. Unconditional Guaranty. The obligations of the Seller under the Seller Guaranty are absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any Guaranteed Obligations, any Contract, any Transaction Document or any other agreement or instrument referred to therein, to the fullest extent permitted by Applicable Law, and irrespective of any other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor. The Seller agrees that the Seller Guaranty may be enforced by the Administrative Agent or the Purchasers without the necessity at any time of resorting to or exhausting any other security or collateral and without the necessity at any time of having recourse to any of the other Transaction Documents or any collateral, including the Sold Assets, hereafter securing the Guaranteed Obligations, the Seller Obligations or otherwise, and the Seller hereby waives the right to require the Administrative Agent or the Purchasers to make demand on or proceed against any Obligor, any Originator, the Servicer or the Performance Guarantor or any other Person or to require the Administrative Agent or the Purchasers to pursue any other remedy or enforce any other right. The Seller further agrees that no Person or Governmental Authority shall have any right to request any return or reimbursement of funds from the Administrative Agent or the Purchasers in connection with monies received under or in respect of the Seller Guaranty. The Seller further agrees that nothing contained herein shall prevent the Administrative Agent or the Purchasers from suing on any of the other Transaction Documents or foreclosing its or their, as applicable, security interest in or lien on the Sold Assets, the Seller Collateral or any other collateral securing the Guaranteed Obligations or the Seller Obligations or from exercising any other rights available to it or them, as applicable, under any Transaction Document, or any other instrument of security and the exercise of any of the aforesaid rights and the completion of any foreclosure proceedings shall not constitute a discharge of the Seller’s obligations under the Seller Guaranty; it being the purpose and intent of the Seller that its obligations under the Seller Guaranty shall be absolute, independent and

unconditional under any and all circumstances. Neither the Seller Guaranty nor any remedy for the enforcement thereof shall be impaired, modified, changed or released in any manner whatsoever by an impairment, modification, change, release, increase or limitation of the liability of any Obligor, any Originator, the Servicer or the Performance Guarantor or by reason of the bankruptcy or insolvency of any Obligor, any Originator, the Servicer or the Performance Guarantor. The Seller hereby waives any and all notice of the creation, renewal, extension, accrual, or increase of any of the Guaranteed Obligations and notice of or proof of reliance by the Administrative Agent or any Purchaser on the Seller Guaranty or acceptance of the Seller Guaranty. All dealings between any Obligor, any Originator, the Servicer, the Performance Guarantor or the Seller, on the one hand, and the Administrative Agent and the Purchasers, on the other hand, shall be conclusively presumed to have been had or consummated in reliance upon the Seller Guaranty. The Seller hereby represents and warrants that it is, and immediately after giving effect to the Seller Guaranty and the obligation evidenced hereby, will be, Solvent. The Seller Guaranty and the obligations of the Seller under the Seller Guaranty shall be valid and enforceable and shall not be subject to any limitation, impairment or discharge for any reason (other than payment in full of all Guaranteed Obligations), including the occurrence of any of the following, whether or not the Administrative Agent or any Purchaser shall have had notice or knowledge of any of them: (A) any failure to assert or enforce or agreement not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy with respect to the Sold Assets or the Guaranteed Obligations or any agreement relating thereto, or with respect to any guaranty of or other security for the payment of the Sold Assets or the Guaranteed Obligations, (B) any waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to Termination Events) of any Transaction Document or any agreement or instrument executed pursuant thereto, or of any guaranty or other security for the Sold Assets or the Guaranteed Obligations, (C) to the fullest extent permitted by Applicable Law, any of the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect, (D) the application of payments received from any source to the payment of Indebtedness other than the Guaranteed Obligations, even though the Administrative Agent might have elected to apply such payment to any part or all of the Guaranteed Obligations, (E) any failure to perfect or continue perfection of a security interest in any of the Sold Assets or other Seller Collateral, (F) any defenses, set-offs or counterclaims which the Seller, any Originator, the Servicer, the Performance Guarantor or any Obligor may allege or assert against the Administrative Agent or any Purchaser in respect of the Sold Assets or the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury, and (G) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of the Seller as an obligor in respect of the Sold Assets or the Guaranteed Obligations.

Section 3.03. Modifications. The Seller agrees that: (a) all or any part of any security interest, lien, collateral security or supporting obligation now or hereafter held for any Guaranteed Obligation may be exchanged, compromised or surrendered from time to time; (b) none of the Purchasers or the Administrative Agent shall have any obligation to protect, perfect, secure or insure any security interest or lien now or hereafter held, if any, for the Guaranteed Obligations; (c) the time or place of payment of any Guaranteed Obligation may be changed or extended, in

whole or in part, to a time certain or otherwise, and may be renewed or accelerated, in whole or in part; (d) any Obligor, any Originator, the Seller, the Servicer or the Performance Guarantor and any other party (including any co-guarantor) liable for payment of any Guaranteed Obligation may be granted indulgences generally; (e) any of the provisions of Contracts or any other agreements or documents governing or giving rise to any Guaranteed Obligation may be modified, amended or waived; and (f) any deposit balance for the credit of any Obligor, any Originator, the Servicer, the Performance Guarantor or the Seller or any other party (including any co-guarantor) liable for the payment of any Guaranteed Obligation or liable upon any security therefor may be released, in whole or in part, at, before or after the stated, extended or accelerated maturity of the Guaranteed Obligations, in each case without notice to or further assent by the Seller, which shall remain bound thereon, notwithstanding any such exchange, compromise, surrender, extension, renewal, acceleration, modification, indulgence or release.

Section 3.04. Waiver of Rights. The Seller expressly waives to the fullest extent permitted by Applicable Law: (a) notice of acceptance of the Seller Guaranty by the Purchasers and the Administrative Agent; (b) presentment and demand for payment or performance of any of the Guaranteed Obligations; (c) protest and notice of dishonor or of default (except as specifically required in this Agreement) with respect to the Guaranteed Obligations or with respect to any security therefor; (d) notice of the Purchasers or the Administrative Agent obtaining, amending, substituting for, releasing, waiving or modifying any security interest or lien, if any, hereafter securing the Guaranteed Obligations, or the Purchasers or the Administrative Agent subordinating, compromising, discharging or releasing such security interests or liens, if any; (e) all other notices, demands, presentments, protests or any agreement or instrument related to the Sold Assets or the Guaranteed Obligations to which the Seller might otherwise be entitled; (f) any right to require the Administrative Agent or any Purchaser as a condition of payment or performance by the Seller, to (i) proceed against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person, (ii) proceed against or exhaust any other security held from any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person, (iii) proceed against or have resort to any balance of any deposit account, securities account or credit on the books of the Administrative Agent, the Purchasers or any other Person, or (iv) pursue any other remedy in the power of the Administrative Agent or the Purchasers whatsoever; (g) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person including any defense based on or arising out of the lack of validity or the unenforceability of the Sold Assets or the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person from any cause other than payment in full of the Sold Assets and the Guaranteed Obligations; (h) any defense based upon any Applicable Law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (i) any defense based upon the Administrative Agent's or any Purchaser's errors or omissions in the administration of the Sold Assets or the Guaranteed Obligations; (j) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of this Agreement and any legal or equitable discharge of the Sold Assets or the Guaranteed Obligations, (ii) the benefit of any statute of limitations affecting the Seller's liability under the Seller Guaranty or the enforcement of the Seller Guaranty, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that the Administrative

Agent and the Purchasers protect, secure, perfect or insure any other security interest or lien or any property subject thereto; and (k) to the fullest extent permitted by Applicable Law, any defenses or benefits that may be derived from or afforded by Applicable Law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms of this Agreement and the Seller Guaranty.

Section 3.05. Reinstatement. Notwithstanding anything contained in this Agreement or the other Transaction Documents, the obligations of the Seller under this Article III 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 Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and the Seller agrees that it will indemnify Administrative Agent and each Purchaser on demand for all reasonable costs and expenses (including reasonable fees of counsel) incurred by such Person 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 bankruptcy, insolvency or similar law.

Section 3.06. Remedies. The Seller agrees that, as between the Seller, on the one hand, and Administrative Agent and the Purchasers, on the other hand, the Guaranteed Obligations may be declared to be forthwith due and payable as provided in Article IX (and shall be deemed to have become automatically due and payable in the circumstances provided in Article IX) notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing such Guaranteed Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or such Guaranteed Obligations being deemed to have become automatically due and payable), such Guaranteed Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Seller.

Section 3.07. Subrogation. The Seller hereby waives all rights of subrogation (whether contractual or otherwise) to the claims of the Administrative Agent, the Purchasers and the other Secured Parties against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person in respect of the Guaranteed Obligations until such time as all Guaranteed Obligations have been indefeasibly paid in full in cash and the Final Payout Date has occurred. The Seller further agrees that, to the extent such waiver of its rights of subrogation is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation shall be junior and subordinate to any rights the Administrative Agent or any Purchaser may have against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person in respect of the Guaranteed Obligations.

Section 3.08. Inducement. The Purchasers have been induced to make the Investments under this Agreement in part based upon the Seller Guaranty and the Seller desires that the Seller Guaranty be honored and enforced as separate obligations of the Seller, should Administrative Agent and the Purchasers desire to do so.

Section 3.09. Security Interest. (a) To secure the prompt payment and performance of the Guaranteed Obligations, the Seller Guaranty and all other Seller Obligations, the Seller hereby

grants to the Administrative Agent, for the benefit of the Purchasers and the other Secured Parties, a continuing security interest in and lien upon all property and assets of the Seller, whether now or hereafter owned, existing or arising and wherever located, including the following (collectively, the “*Seller Collateral*”):

- (i) all Unsold Receivables;
- (ii) all Related Security with respect to such Unsold Receivables;
- (iii) all Collections with respect to such Unsold Receivables;
- (iv) the Lock-Boxes and Collection Accounts, other than the Excluded Collection Accounts and all amounts on deposit therein, and all certificates and instruments, if any, from time to time evidencing such Lock-Boxes and Collection Accounts other than the Excluded Collection Accounts and amounts on deposit therein;
- (v) all rights (but none of the obligations) of the Seller under the Purchase and Sale Agreement and any Credit Insurance Policy;
- (vi) all other personal and fixture property or assets of the Seller of every kind and nature including, without limitation, all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts, chattel paper (whether tangible or electronic), deposit accounts, securities accounts, securities entitlements, letter-of-credit rights, commercial tort claims, securities and all other investment property, supporting obligations, money, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all general intangibles (including all payment intangibles) (each as defined in the UCC);
- (vii) the Pledged Investment Account and all Permitted Investments contained therein, the Pledged Deposit Account, and all amounts on deposit therein, and all certificates and instruments, if any, from time to time evidencing the Pledged Investment Account and the Pledged Deposit Account; and
- (viii) all proceeds of, and all amounts received or receivable under any or all of, the foregoing;

provided, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be

redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

(b) The Administrative Agent (for the benefit of the Secured Parties) shall have, with respect to all the Seller Collateral, and in addition to all the other rights and remedies available to the Administrative Agent (for the benefit of the Secured Parties), all the rights and remedies of a secured party under any applicable UCC. The Seller hereby authorizes the Administrative Agent to file financing statements describing the collateral covered thereby as “all of the debtor’s personal property or assets” or words to that effect, notwithstanding that such wording may be broader in scope than the collateral described in this Agreement.

(c) Immediately upon the occurrence of the Final Payout Date, the Seller Collateral shall be automatically released from the lien created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent, the Purchasers and the other Purchaser Parties hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Seller Collateral shall revert to the Seller; *provided, however*, that promptly following written request therefor by the Seller delivered to the Administrative Agent following any such termination, and at the expense of the Seller, the Administrative Agent shall execute and deliver to the Seller UCC-3 termination statements and such other documents as the Seller shall reasonably request to evidence such termination.

(d) For the avoidance of doubt, the grant of security interest pursuant to this Section 3.09 shall be in addition to, and shall not be construed to limit or modify, the sale of Sold Assets pursuant to Section 2.01(b) or the Seller’s grant of security interest pursuant to Section 5.05.

Section 3.10. Further Assurances. Promptly upon request, the Seller shall deliver such instruments, assignments or other documents or agreements, and shall take such actions, as the Administrative Agent or any Purchaser deems appropriate to evidence or perfect its security interest and lien on any of the Seller Collateral or otherwise to give effect to the intent of this Article III.

Section 3.11. Release of Seller Collateral and Reconveyance of Certain Sold Receivables. Contemporaneously with any release and reconveyance of Transferred Assets pursuant to Section 8.4(b) of the Purchase and Sale Agreement, and without any further consideration other than as specified therein, the Administrative Agent (on behalf of the Purchasers) agrees to reconvey to Buyer or its designee, all of its rights, title and interest in and to any such Transferred Assets constituting Sold Receivables or Sold Assets and to release any security interest it may have in, and all of its right, title and interest in and to the related Transferred Assets.

ARTICLE IV

SETTLEMENT PROCEDURES AND PAYMENT PROVISIONS

Section 4.01. Settlement Procedures. (a) The Servicer shall set aside and hold in trust for the benefit of the Secured Parties (or, if so requested by the Administrative Agent during the

continuance of an Event of Termination, segregate in a separate account designated by the Administrative Agent, which shall be an account maintained and controlled by the Administrative Agent unless the Administrative Agent otherwise instructs in its sole discretion), for application in accordance with the priority of payments set forth below, all Collections on Pool Receivables that are received by the Servicer or the Seller or received in any Lock-Box or Collection Account; *provided, however*, that so long as each of the conditions precedent set forth in Section 6.03 are satisfied on such date, the Servicer may release to the Seller a portion of such Collections (each such release of Collections, a “Release”). On each Settlement Date, the Servicer (or, following its assumption of control of the Collection Accounts, the Administrative Agent) shall distribute any such Collections not previously Released in the following order of priority:

(i) *first*, to the Servicer for the payment of the accrued Servicing Fees payable for the immediately preceding Yield Period (plus, if applicable, the amount of Servicing Fees payable for any prior Yield Period to the extent such amount has not been distributed to the Servicer);

(ii) *second*, to the Administrative Agent, for the account of each Purchaser and other Purchaser Party (ratably, based on the amount then due and owing), all accrued and unpaid Yield, Fees and Breakage Fees due to such Purchaser and other Purchaser Party for the immediately preceding Yield Period (including any additional amounts or indemnified amounts payable under Sections 5.03 and 13.01 in respect of such payments), plus, if applicable, the amount of any such Yield, Fees and Breakage Fees (including any additional amounts or indemnified amounts payable under Sections 5.03 and 13.01 in respect of such payments) payable for any prior Yield Period to the extent such amount has not been distributed to such Purchaser or Purchaser Party;

(iii) *third*, as set forth in clause (x), (y) or (z) below, as applicable:

(x) prior to the occurrence of the Termination Date, to the extent that a Capital Coverage Deficit exists on such date, to the Administrative Agent, for the account of each Purchaser (ratably, based on the aggregate outstanding Capital of each Purchaser at such time) for the return of a portion of the outstanding Aggregate Capital at such time, in an aggregate amount equal to the amount necessary to reduce the Capital Coverage Deficit to zero (\$0);

(y) on and after the occurrence of the Termination Date, to the Administrative Agent, for the account of each Purchaser (ratably, based on the aggregate outstanding Capital of each Purchaser at such time) for the return in full of the aggregate outstanding Capital of such Purchaser at such time; or

(z) prior to the occurrence of the Termination Date, at the election of the Seller and in accordance with Section 2.02(d), to the Administrative Agent, for the account of each Purchaser (ratably, based on the aggregate outstanding Capital of each Purchaser at such time) for the return of all or any portion of the outstanding Capital of the Purchasers at such time;

(iv) *fourth*, to the Purchaser Parties, the Affected Persons and the Seller Indemnified Parties (ratably, based on the amount due and owing at such time), for the payment of all other Seller Obligations then due and owing by the Seller to the Purchaser Parties, the Affected Persons and the Seller Indemnified Parties; and

(v) *fifth*, the balance, if any, to be paid to the Seller for its own account .

Amounts payable pursuant to clauses *first* through *fifth* above shall be paid first from available Collections on Sold Receivables and other Sold Assets, and second, to the extent necessary in order to make all such payments in full, from Collections on Unsold Receivables and other Seller Collateral. The Seller's right to receive payments (if any) from time to time pursuant to clause *fifth* above shall, to the extent arising from Collections on Sold Receivables, constitute compensation to the Seller for the Seller's provision of the Seller Guaranty of the Purchaser Parties' interests in the Seller Collateral. Amounts payable to the Seller pursuant to clause *fifth* above shall, after accounting for any amounts payable to the Originators under the Subordinated Notes and otherwise under the Purchase and Sale Agreement, first be allocated to the Sponsor to the amount of the Retained Interest described in Section 8.04 and then to any other value of such membership interest.

(b) All payments or distributions to be made by the Servicer, the Seller and any other Person to the Purchasers (or their respective related Affected Persons and the Seller Indemnified Parties), shall be paid or distributed to the related Group Agent at its Group Agent's Account. Each Group Agent, upon its receipt in the applicable Group Agent's Account of any such payments or distributions, shall distribute such amounts to the applicable Purchasers, Affected Persons and the Seller Indemnified Parties within its Group ratably; *provided* that if such Group Agent shall have received insufficient funds to pay all of the above amounts in full on any such date, such Group Agent shall pay such amounts to the applicable Purchasers, Affected Persons and the Seller Indemnified Parties within its Group in accordance with the priority of payments set forth above, and with respect to any such category above for which there are insufficient funds to pay all amounts owing on such date, ratably (based on the amounts in such categories owing to each such Person in such Group) among all such Persons in such Group entitled to payment thereof.

(c) If and to the extent the Administrative Agent, any Purchaser Party, any Affected Person or any Seller Indemnified Party shall be required for any reason to pay over to any Person (including any Obligor or any trustee, receiver, custodian or similar official in any Insolvency Proceeding) any amount received on its behalf hereunder, such amount shall be deemed not to have been so received but rather to have been retained by the Seller and, accordingly, the Administrative Agent, such Purchaser Party, such Affected Person or such Seller Indemnified Party, as the case may be, shall have a claim against the Seller for such amount.

(d) For the purposes of this Section 4.01:

(i) if on any day the Outstanding Balance of any Pool Receivable is reduced or adjusted as a result of any defective, rejected, returned, repossessed or foreclosed goods, licenses or services, or any revision, cancellation, allowance, rebate, credit memo, discount or other adjustment made by the Seller, any Originator, the Servicer or any Affiliate of the

Servicer, or any setoff, counterclaim or dispute between the Seller, any Originator, the Servicer or any Affiliate of the Servicer and an Obligor, the Seller shall be deemed to have received on such day a Collection of such Pool Receivable in the amount of such reduction or adjustment and shall pay any and all such amounts in respect thereof on the next Settlement Date, or after the occurrence and during the continuance of an Event of Termination, within two (2) Business Days, to a Collection Account subject to an Account Control Agreement (or as otherwise directed by the Administrative Agent at such time) for the benefit of the Purchaser Parties for application pursuant to Section 4.01(a);

(ii) if on any day any of the representations or warranties in Sections 7.01(m) or 7.01(u) is not true with respect to any Pool Receivable, the Seller shall be deemed to have received on such day a Collection of such Pool Receivable in full and shall pay the amount of such deemed Collection on the next Settlement Date, or after the occurrence and during the continuance of an Event of Termination, within two (2) Business Days, to a Collection Account subject to an Account Control Agreement (or as otherwise directed by the Administrative Agent at such time) for the benefit of the Purchaser Parties for application pursuant to Section 4.01(a) (Collections deemed to have been received pursuant to Section 4.01(d) are hereinafter sometimes referred to as “*Deemed Collections*”);

(iii) except as provided in clauses (i) or (ii) above or otherwise required by Applicable Law or the relevant Contract, all Collections received from an Obligor of any Receivable shall be applied to the Receivables of such Obligor in the order of the age of such Receivables, starting with the oldest such Receivable, unless such Obligor designates in writing its payment for application to specific Receivables; and

(iv) if and to the extent the Administrative Agent, any Purchaser Party, any Affected Person or any Seller Indemnified Party shall be required for any reason to pay over to an Obligor (or any trustee, receiver, custodian or similar official in any Insolvency Proceeding) any amount received by it hereunder, such amount shall be deemed not to have been so received by such Person but rather to have been retained by the Seller and, accordingly, such Person shall have a claim against the Seller for such amount, payable when and to the extent that any distribution from or on behalf of such Obligor is made in respect thereof.

Section 4.02. Payments and Computations, Etc. (a) All amounts to be paid by the Seller or the Servicer to the Administrative Agent, any Purchaser Party, any Affected Person or any Seller Indemnified Party hereunder shall be paid no later than noon (New York City time) on the day when due in same day funds to the applicable Group Agent’s Account.

(b) All computations of Yield, Fees and other amounts hereunder shall be made on the basis of a year of 360 days (or, in the case of amounts determined by reference to the Base Rate, 365 or 366 days, as applicable) for the actual number of days (including the first but excluding the last day) elapsed. Whenever any payment or deposit to be made hereunder shall be due on a day other than a Business Day, such payment or deposit shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of such payment or deposit.

ARTICLE V

INCREASED COSTS; FUNDING LOSSES; TAXES; ILLEGALITY AND BACK-UP SECURITY INTEREST

Section 5.01. Increased Costs.

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

(i) impose, modify or deem applicable any reserve, special deposit, liquidity, 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 Affected Person (except any such reserve requirements reflected in the Term SOFR Rate or Daily 1M SOFR);

(ii) subject any Affected Person to any Taxes (except to the extent such Taxes are (A) Indemnified Taxes for which relief is sought under Section 5.03, (B) Taxes described in clause (b) or (c) of the definition of Excluded Taxes or (C) Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes) on its loans, loan principal, letters of credit, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Affected Person any other condition, cost or expense (other than Taxes) (A) affecting the Sold Assets, the Seller Collateral, this Agreement, any other Transaction Document, any Program Support Agreement, any Capital or any participation therein or (B) affecting its obligations or rights to make Investments or fund or maintain Capital;

and the result of any of the foregoing shall be to increase the cost to such Affected Person of (A) acting as the Administrative Agent, a Group Agent or a Purchaser hereunder or as a Program Support Provider with respect to the transactions contemplated hereby, (B) making any Investment or funding or maintaining any Capital (or any portion thereof) or (C) maintaining its obligation to make any Investment or to fund or maintain any Capital (or any portion thereof), or to reduce the amount of any sum received or receivable by such Affected Person hereunder, then, upon request of such Affected Person (or its Group Agent), the Seller shall pay to such Affected Person such additional amount or amounts as will compensate such Affected Person for such additional costs incurred or reduction suffered.

(b) *Capital and Liquidity Requirements.* If any Affected Person determines that any Change in Law affecting such Affected Person or any lending office of such Affected Person or such Affected Person's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of (x) increasing the amount of capital required to be maintained by such Affected Person or Affected Person's holding company, if any, or increasing the amount of high quality liquid assets such Affected Person or Affected Person's holding company, if any, is required to maintain as a result of any funding commitment made by such Affected Person under any Transaction Document, (y) reducing the rate of return on such Affected Person's capital or on

the capital of such Affected Person's holding company, if any, or (z) causing an internal capital or liquidity charge or other imputed cost to be assessed upon such Affected Person or Affected Person's holding company, if any, in each case, as a consequence of (A) this Agreement or any other Transaction Document, (B) the commitments of such Affected Person hereunder or under any other Transaction Document or any related Program Support Agreement, (C) the Investments made by such Affected Person, or (D) any Capital (or portion thereof), to a level below that which such Affected Person or such Affected Person's holding company could have achieved but for such Change in Law (taking into consideration such Affected Person's policies and the policies of such Affected Person's holding company with respect to capital adequacy and liquidity), then from time to time, upon request of such Affected Person (or its Group Agent), the Seller will pay to such Affected Person such additional amount or amounts as will compensate such Affected Person or such Affected Person's holding company for any such increase, reduction or charge.

(c) *Reserved.*

(d) *Certificates for Reimbursement.* A certificate of an Affected Person (or its Group Agent on its behalf) setting forth the amount or amounts necessary to compensate such Affected Person or its holding company, as the case may be, as specified in clause (a) or (b) of this Section and delivered to the Seller, shall be conclusive absent manifest error. The Seller shall, subject to the priorities of payment set forth in Section 4.01, pay such Affected Person the amount shown as due on any such certificate on the first Settlement Date occurring after the Seller's receipt of such certificate.

(e) *Delay in Requests.* Failure or delay on the part of any Affected Person to demand compensation pursuant to this Section shall not constitute a waiver of such Affected Person's right to demand such compensation; *provided* that the Seller shall not be required to compensate an Affected Person pursuant to this Section for any increased costs incurred or reductions suffered more than six months prior to the date that such Affected Person notifies the Seller of the Change in Law giving rise to such increased costs or reductions and of such Affected Person'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 six-month period referred to above shall be extended to include the period of retroactive effect thereof).

(f) Anything in Section 5.01(a) to the contrary notwithstanding, if any Affected Person enters into agreements for the acquisition of interests in receivables, notes or other financial assets from one or more Persons, other than the Seller, that has entered into a receivables purchase agreement, receivables transfer agreement, loan agreement or funding agreement with such Person (each, an "*Other Seller*") (or to provide liquidity or credit support therefor), such Affected Person shall ratably allocate the liability for any amounts under this Section 5.01(f), which are generally imposed on or applicable to such Affected Person, to the Seller and each Other Seller; *provided, however*, that if such amounts are solely attributable to the Seller and not attributable to any Other Seller, as determined in such Affected Person's reasonable discretion, the Seller shall be solely liable for such amounts or if such amounts are attributable to Other Sellers and not attributable to the Seller, as determined in such Affected Person's reasonable discretion, such Other Sellers shall be solely liable for such amounts. Any Affected Person claiming any additional amounts payable pursuant to Section 5.01(a) agrees to use its reasonable efforts to designate a different office or

branch of such Affected Person as its lending office if the making of such a designation would avoid the need for, or reduce the amount of, any such additional amounts to be paid by the Seller, so long as any such designation is not otherwise disadvantageous to such Affected Person.

(g) Upon the receipt by the Seller of a claim for reimbursement or compensation under Section 5.01(a) by an Affected Person, if payment thereof shall not be waived by such Affected Person, the Seller shall request one or more of the other Purchasers in such Affected Person's Group, with the consent of the Administrative Agent and the Group Agent for such Group (which consents shall not be unreasonably withheld), to acquire and assume all or a part of such Affected Person's rights and obligations (if any) hereunder (a "*Replacement Person*") and if no such other Purchaser in such Affected Person's Group shall become the Replacement Person, the Seller shall request such claiming Affected Person's Group Agent to use commercially reasonable efforts to assist the Seller at the Seller's sole expense, to attempt to obtain a replacement bank, financial institution or commercial paper conduit, as applicable, satisfactory to the Seller and consented to by the Administrative Agent and the Group Agent for the applicable Group (which consents shall not be unreasonably withheld), to become the Replacement Person. Upon notice from the Seller, an Affected Person being replaced hereunder shall assign, without recourse, its rights and obligations (if any) hereunder, or a ratable share thereof, to the Replacement Person or Replacement Persons designated and consented to as provided in this Section 5.01(g) for a purchase price equal to the sum of the amount of such Affected Person's aggregate outstanding Capital at such time or interests therein so assigned, all accrued and unpaid Yield thereon and any other amounts (including fees and any amounts owing under this Section 5.01) to which such Affected Person is entitled hereunder; *provided*, that the Seller shall have paid all reasonable and documented out-of-pocket costs and expenses incurred by any Affected Person in connection with any such designation or assignment. Notwithstanding the foregoing, (i) no Affected Person which is a Group Agent may be replaced pursuant to this Section 5.01 unless (A) it has consented to such replacement or (B) a successor for such Group Agent has been duly appointed and such Group Agent shall have received payment of all amounts to which it is entitled hereunder; (ii) the Seller need not make any request under this Section 5.01(g) if the replacement of any claiming Affected Person would be more economically or administratively burdensome on the Seller or Servicer than not replacing such Affected Person or if such replacement would be unlawful, and (iii) no Affected Person shall be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Affected Person or otherwise, the circumstances entitling the Seller to require such assignment and delegation cease to apply.

Section 5.02. Funding Losses. (a) The Seller will pay each Purchaser all Breakage Fees.

(b) A certificate of a Purchaser (or its Group Agent on its behalf) setting forth the amount or amounts necessary to compensate such Purchaser, as specified in clause (a) above and delivered to the Seller, shall be conclusive absent manifest error. The Seller shall, subject to the priorities of payment set forth in Section 4.01, pay such Purchaser the amount shown as due on any such certificate on the first Settlement Date occurring after the Seller's receipt of such certificate.

Section 5.03. Taxes. (a) *Payments Free of Taxes.* Any and all payments by or on account of any obligation of the Seller under any Transaction Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as

determined in the good faith discretion of the Seller or applicable withholding agent) requires the deduction or withholding of any Tax from any such payment to a Purchaser Party, Affected Person or Seller Indemnified Party, then the Seller or applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law, and, if such Tax is an Indemnified Tax, then the sum payable by the Seller shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section), the applicable Purchaser Party, Affected Person or Seller Indemnified Party receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) *Payment of Other Taxes by the Seller.* The Seller shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or, at the option of the Administrative Agent, timely reimburse it for the payment of, any Other Taxes.

(c) *Indemnification by the Seller.* The Seller shall indemnify each Affected Person, within ten days after demand therefor, for the full amount of (i) any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Affected Person or required to be withheld or deducted from a payment to such Affected Person and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority and (ii) incremental Taxes that arise solely because an Investment or any Capital is successfully treated for U.S. federal income tax purposes as a purchase and sale of the Sold Receivables rather than as debt for U.S. federal income tax purposes (a “*Tax Recharacterization*”), such indemnification will apply to any U.S. federal income taxes imposed, as necessary to make such Affected Person whole on an after tax basis taking into account the taxability of receipt of payments under this clause (ii) and any reasonable expenses (other than Taxes) solely arising out of the foregoing; provided, (1) that if the applicable Affected Person fails to give notice to the Seller of the imposition of any Indemnified Tax or Tax Recharacterization described in clause (ii) of this paragraph (c) within 120 days following its receipt of actual written notice of the imposition of such Tax, there will be no obligation for the Seller to pay interest or penalties attributable to the period beginning after such 120th day and ending 7 days after the Seller receives notice from the applicable Affected Person and (2) if the applicable Affected Person fails to give notice of a Tax Recharacterization described in clause (ii) of this paragraph (c) and such failure to notify the Seller materially prejudices the Seller’s ability to contest or challenge the Tax Recharacterization then no such incremental Taxes shall be owing and payable to such Affected Person. For purposes of calculating any indemnity under the foregoing clause (ii), it shall be assumed that each beneficial owner of an Investment or of any Capital is (A) entitled to, and will take full advantage of the benefits of any double taxation treaty between the United States and such party’s jurisdiction of organization or jurisdiction of operations (as applicable) and (B) will comply with all required documentation or certification requirements that would be necessary to achieve a reduced or to eliminate any otherwise applicable U.S. federal withholding taxes that would apply to such party. In addition, the foregoing clause (ii) shall be the sole provision in this Agreement pursuant to which any beneficial owner of an Investment or Capital may seek an indemnity in the event of the successful treatment of an Investment or any Capital in a manner other than that described in the Intended Tax Treatment. A certificate as to

the amount of such payment or liability delivered to the Seller by an Affected Person (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of an Affected Person, shall be conclusive absent manifest error.

(d) *Indemnification by the Purchasers.* Each Purchaser (other than the Conduit Purchasers) shall severally indemnify the Administrative Agent, within ten days after demand therefor, for (i) any Indemnified Taxes attributable to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons (but only to the extent that the Seller and its Affiliates have not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting any obligation of the Seller, the Servicer or their Affiliates to do so), (ii) any Taxes attributable to the failure of such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons to comply with Section 14.03(f) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons, in each case, that are payable or paid by the Administrative Agent in connection with any Transaction Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Purchaser (or its Group Agent) by the Administrative Agent shall be conclusive absent manifest error. Each Purchaser (other than the Conduit Purchasers) hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons under any Transaction Document or otherwise payable by the Administrative Agent to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons from any other source against any amount due to the Administrative Agent under this clause (d).

(e) *Evidence of Payments.* As soon as practicable after any payment of Taxes by the Seller to a Governmental Authority pursuant to this Section 5.03, the Seller shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) *Status of Affected Persons.* (i) Any Affected Person that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Transaction Document shall deliver to the Seller and the Administrative Agent, at the time or times reasonably requested by the Seller or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Seller or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Affected Person, if reasonably requested by the Seller or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Seller or the Administrative Agent as will enable the Seller or the Administrative Agent to determine whether or not such Affected Person is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 5.03(f)(ii)(A), 5.03(f)(ii)(B) and 5.03(g)) shall not be required if, in the Affected Person's reasonable judgment, such completion, execution or submission would subject such

Affected Person to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Affected Person.

(ii) Without limiting the generality of the foregoing:

(A) an Affected Person that is a U.S. Person shall deliver to the Seller and the Administrative Agent from time to time upon the reasonable request of the Seller or the Administrative Agent, executed copies of Internal Revenue Service Form W-9 certifying that such Affected Person is exempt from U.S. federal backup withholding tax;

(B) any Affected Person that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Seller and the Administrative Agent (in such number of copies as shall be requested by the Affected Person) from time to time upon the reasonable request of the Seller or the Administrative Agent, whichever of the following is applicable:

(1) in the case of such an Affected Person claiming the benefits of an income tax treaty to which the United States is a party, (x) with respect to payments of interest under any Transaction Document, executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Transaction Document, Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) executed copies of Internal Revenue Service Form W-8ECI;

(3) in the case of such an Affected Person claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate to the effect that such Affected Person is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Seller within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable; or

(4) to the extent such Affected Person is not the beneficial owner, executed copies of Internal Revenue Service Form W-8IMY, accompanied by Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate, Internal Revenue Service Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided that*, if such Affected Person is a partnership and one or more direct or indirect partners of such Affected Person are claiming the portfolio interest exemption, such Affected

Person may provide a U.S. Tax Compliance Certificate on behalf of each such direct and indirect partner; and

(C) any Affected Person that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Seller and the Administrative Agent (in such number of copies as shall be requested by the recipient), from time to time upon the reasonable request of the Seller or the Administrative Agent, executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Seller or the Administrative Agent to determine the withholding or deduction required to be made.

(g) *Documentation Required by FATCA.* If a payment made to an Affected Person under any Transaction Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Affected Person were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Affected Person shall deliver to the Seller and the Administrative Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Seller or the Administrative Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Seller or the Administrative Agent as may be necessary for the Seller and the Administrative Agent to comply with their obligations under FATCA and to determine that such Affected Person has complied with such Affected Person's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (g), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(h) *Treatment of Certain Refunds.* If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) *Survival.* Each party's obligations under this Section 5.03 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Purchaser Party or any other Affected person, the termination of the Commitments and the repayment, satisfaction or discharge of all the Seller Obligations and the Servicer's obligations hereunder.

(j) *Updates.* Each Affected Person agrees that if any form or certification it previously delivered pursuant to this Section 5.03 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Seller and the Administrative Agent in writing of its legal inability to do so.

Section 5.04. Inability to Determine SOFR Rate; Change in Legality. (a) If any Purchaser shall have determined (which determination shall be conclusive and binding upon the parties hereto absent manifest error) before the first day of any Yield Period (with respect to the SOFR Rate determined by reference to the Term SOFR Rate) or on any day (with respect to the SOFR Rate determined by reference to Daily 1M SOFR), either that: (i) the SOFR Rate cannot be determined because it is not available or published on a current basis, (ii) adequate and reasonable means do not exist for ascertaining the SOFR Rate for such Tranche Period, Yield Period or day, as applicable, or (iii) the SOFR Rate determined pursuant hereto does not accurately reflect the cost to the applicable Purchaser (as conclusively determined by such Purchaser) of funding or maintaining any Portion of Capital during such Tranche Period, Yield Period or day, as applicable, such Purchaser shall promptly give telephonic notice of such determination, confirmed in writing, to the Administrative Agent and the Seller before the first day of any Yield Period (with respect to the SOFR Rate determined by reference to the Term SOFR Rate) or on such day (with respect to the SOFR Rate determined by reference to Daily 1M SOFR). Upon delivery of such notice: (i) no Portion of Capital shall be funded thereafter at the SOFR Rate, and shall instead be funded at the Base Rate, unless and until such Purchaser shall have given notice to the Seller and the Administrative Agent that the circumstances giving rise to such determination no longer exist and (ii) with respect to any outstanding Portion of Capital then funded at the SOFR Rate, the Yield Rate with respect to such Portion of Capital shall automatically be converted to the Base Rate on the last day of the then-current Yield Period (with respect to the SOFR Rate determined by reference to the Term SOFR Rate) or immediately (with respect to the SOFR Rate determined by reference to Daily 1M SOFR).

(b) If at any time any time any Purchaser shall have determined (which determination shall be final and conclusive absent manifest error) that the funding or maintenance of any Portion of Capital at or by reference to the SOFR Rate has been made impracticable or unlawful by compliance by such Purchaser in good faith with any Applicable Law or any interpretation or application thereof by any Governmental Authority or with any request or directive of any such Governmental Authority (whether or not having the force of law), such Purchaser shall notify the Seller and the Administrative Agent thereof. Upon receipt of such notice, until the applicable Purchaser notifies the Seller and the Administrative Agent that the circumstances giving rise to such determination no longer apply, (i) no Portion of Capital shall be funded thereafter at the SOFR Rate, and shall instead be funded at the Base Rate, unless and until such Purchaser shall have given notice to the Administrative Agent and the Seller that the circumstances giving rise to such determination no longer exist and (ii) with respect to any outstanding Portion of Capital then

funded at the SOFR Rate, the Yield Rate with respect to such Portion of Capital shall automatically and immediately be converted to the Base Rate.

(c) (i) Notwithstanding anything to the contrary herein or in any other Transaction Document (and any Hedging Agreement shall be deemed not to be a “Transaction Document” for purposes of this Section), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any other Transaction Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Seller and the Purchasers without any amendment to, or further action or consent of any other party to, this Agreement or any other Transaction Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Purchasers comprising the Majority Purchasers.

(ii) In connection with the implementation and administration of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document; *provided*, that any such amendment implementing such Conforming Changes that results in any incremental material cost or expense for the Seller will not become effective without the consent of the Seller.

(iii) The Administrative Agent will promptly notify the Seller and the Purchasers of (A) any occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, (B) the implementation of any Benchmark Replacement, (C) the effectiveness of any Conforming Changes, (D) the removal or reinstatement of any tenor of a Benchmark pursuant to paragraph (iv) below and (E) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Purchaser (or group of Purchasers) pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Transaction Document except, in each case, as expressly required pursuant to this Section.

(iv) Notwithstanding anything to the contrary herein or in any other Transaction Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if the then-current Benchmark is a term rate and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of “Tranche Period” or “Yield Period” (or any similar or analogous definition) for any Benchmark settings at or after such

time to remove such unavailable or non-representative tenor and (B) if a tenor that was removed pursuant to clause (A) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Tranche Period” or “Yield Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Upon the Seller’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Seller may revoke any request for an Investment, or a conversion to or continuation of Capital, accruing Yield at the SOFR Rate to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Seller will be deemed to have converted any such request into a request for an Investment, or a conversion of Capital to Capital, accruing Yield at the Base Rate, and, for the avoidance of doubt, all outstanding Capital accruing Yield at the SOFR Rate shall automatically be converted to Capital accruing Yield at the Base Rate. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

(vi) As used in this Section:

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate or is based on a term rate, any tenor for such Benchmark that is or may be used for determining the length of a Tranche Period or Yield Period or (y) otherwise, any payment period for Yield calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

“Benchmark” means, initially, the SOFR Rate; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the SOFR Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to this Section. Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof.

“Benchmark Replacement” means, for any Available Tenor, the sum of (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Seller as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment;

provided that if the Benchmark Replacement as so determined above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of

this Agreement and the other Transaction Documents and provided further, that any such Benchmark Replacement shall be administratively feasible as determined by the Administrative Agent in its sole discretion.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor for any setting of such Unadjusted Benchmark Replacement the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Seller for the applicable Corresponding Tenor giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time; provided that, if the then-current Benchmark is a term rate, more than one tenor of such Benchmark is available as of the applicable Benchmark Replacement Date and the applicable Unadjusted Benchmark Replacement will not be a term rate, the Available Tenor of such Benchmark for purposes of this definition of “Benchmark Replacement Adjustment” shall be deemed to be the Available Tenor that has approximately the same length (disregarding business day adjustments) as the payment period for interest calculated with reference to such Unadjusted Benchmark Replacement.

“Benchmark Replacement Date” means a date and time determined by the Administrative Agent, which date shall be at the end of a Tranche Period, Yield Period or day (as applicable) and no later than the earliest to occur of the following events with respect to the then-current Benchmark:

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

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date determined by the Administrative Agent, which date shall promptly follow the date of the public statement or publication of information referenced therein;

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

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

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

(2) a public statement or publication of information by a Governmental Authority having jurisdiction over the Administrative Agent, the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) or a Governmental Authority having jurisdiction over the Administrative Agent announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

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

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

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

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the SOFR Rate or, if no floor is specified, zero.

“Reference Time” means, with respect to any setting of the then-current Benchmark, the time determined by the Administrative Agent in its reasonable discretion.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

Section 5.05. Back-Up Security Interest. (a) If, notwithstanding the intent of the parties stated in Section 2.01(c), the sale, assignment and transfer of any Sold Assets to the Administrative Agent (for the ratable benefit of the Purchasers) hereunder (including pursuant to Section 2.01(b)) is not treated as a sale for all purposes (except as provided in Sections 2.01(d) and 14.14), then such sale, assignment and transfer of such Sold Assets shall be treated as the grant of a security interest by the Seller to the Administrative Agent (for the ratable benefit of the Purchasers) to secure the payment and performance of all the Seller’s obligations to the Administrative Agent, the Purchasers and the other Secured Parties hereunder and under the other Transaction Documents (including all Seller Obligations). Therefore, as security for the performance by the Seller of all the terms, covenants and agreements on the part of the Seller to be performed under this Agreement or any other Transaction Document, including the punctual payment when due of the Aggregate Capital and all Yield and all other Seller Obligations, the Seller hereby grants to the Administrative Agent for its benefit and the ratable benefit of the Secured Parties, a continuing security interest in, all of the Seller’s right, title and interest in, to and under all of the Sold Assets, whether now or hereafter owned, existing or arising, *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

(b) The Administrative Agent (for the benefit of the Secured Parties) shall have, with respect to all the Sold Assets, and in addition to all the other rights and remedies available to the Administrative Agent (for the benefit of the Secured Parties), all the rights and remedies of a secured party under any applicable UCC. The Seller hereby authorizes the Administrative Agent to file financing statements describing the collateral covered thereby as “all of the debtor’s personal property or assets” or words to that effect, notwithstanding that such wording may be broader in scope than the collateral described in this Agreement.

(c) For the avoidance of doubt, (i) the grant of security interest pursuant to this Section 5.05 shall be in addition to, and shall not be construed to limit or modify, the sale of Sold Assets pursuant to Section 2.01(b) or the Seller’s grant of security interest pursuant to Section 3.09, (ii) nothing in Section 2.01 shall be construed as limiting the rights, interests (including any security interest), obligations or liabilities of any party under this Section 5.05, and (iii) subject to the foregoing clauses (i) and (ii), this Section 5.05 shall not be construed to contradict the intentions of the parties set forth in Section 2.01(c).

ARTICLE VI

CONDITIONS TO EFFECTIVENESS AND INVESTMENTS

Section 6.01. Reserved.

Section 6.02. Conditions Precedent to All Investments. Each Investment hereunder on or after the Closing Date shall be subject to the conditions precedent that:

(a) the Seller shall have delivered to the Administrative Agent and each Group Agent an Investment Request for such Investment, in accordance with Section 2.02(a);

(b) the Servicer shall have delivered to the Administrative Agent and each Group Agent all Information Packages required to be delivered hereunder;

(c) the conditions precedent to such Investment specified in Section 2.01(i) through (iv), shall be satisfied;

(d) on the date of such Investment the following statements shall be true and correct (and upon the occurrence of such Investment, the Seller and the Servicer shall be deemed to have represented and warranted that such statements are then true and correct):

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 are true and correct in all material respects (except such representations that are qualified by materiality, which shall be correct in all respects) on and as of the date of such Investment as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects (except such representations that are qualified by materiality, which shall be correct in all respects) on and as of such earlier date;

(ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, and no Event of Termination or Unmatured Event of Termination would result from such Investment;

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Investment;

(iv) the Termination Date has not occurred; and

(v) after giving effect to such Investment, the Aggregate Capital shall be equal to or greater than an amount that is equal to the lesser of (a) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (b) the Capital Coverage Amount at such time.

Section 6.03. Conditions Precedent to All Releases. Each Release hereunder on or after the Closing Date shall be subject to the conditions precedent that:

(a) after giving effect to such Release, the Servicer shall be holding in trust for the benefit of the Secured Parties an amount of Collections sufficient to pay the sum of (x) all accrued and unpaid Servicing Fees, Yield, Fees and Breakage Fees, in each case, through the date of such Release, (y) the amount of any Capital Coverage Deficit and (z) the amount of all other accrued and unpaid Seller Obligations through the date of such Release; *provided*, the Servicer shall not be required to segregate such amount of Collections;

(b) on the date of such Release the following statements shall be true and correct (and upon the occurrence of such Release, the Seller and the Servicer shall be deemed to have represented and warranted that such statements are then true and correct):

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 are true and correct in all material respects (except such representations that are qualified by materiality, which shall be correct in all respects) on and as of the date of such Release as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects (except such representations that are qualified by materiality, which shall be correct in all respects) on and as of such earlier date;

(ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, and no Event of Termination or Unmatured Event of Termination would result from such Release;

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Release;

(iv) the Aggregate Capital shall be equal to or greater than an amount that is equal to the lesser of (A) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (B) the Capital Coverage Amount at such time; and

(v) the Termination Date has not occurred.

Section 6.04. Conditions Precedent to Restatement Effective Date. This Agreement shall become effective as of the Restatement Effective Date when (a) the Administrative Agent shall have received each of the documents, agreements (in fully executed form), opinions of counsel, lien search results, UCC filings, certificates and other deliverables listed on the closing memorandum attached as Exhibit I-2 hereto, in each case, in form and substance acceptable to the Administrative Agent and (b) all fees and expenses payable by the Seller on the Restatement Effective Date to the Purchaser Parties have been paid in full in accordance with the terms of the Transaction Documents.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

Section 7.01. Representations and Warranties of the Seller. The Seller represents and warrants to each Purchaser Party as of the Closing Date, the Restatement Effective Date, on each Settlement Date, on each date on which any Information Package or other report is delivered to the Administrative Agent or any Purchaser hereunder, and on each day on which an Investment or Release shall have occurred:

(a) *Organization and Good Standing.* The Seller is a limited liability company duly organized and validly existing in good standing under the laws of the State of Delaware and has full power and authority under its constitutional documents and under the laws of its jurisdiction to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted.

(b) *Due Qualification.* The Seller is duly qualified to do business as a limited liability company, is in good standing as a foreign limited liability company, and has obtained all necessary licenses and approvals in all jurisdictions in which the conduct of its business requires such qualification, licenses or approvals, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) *Power and Authority; Due Authorization.* The Seller (i) has all necessary limited liability company power and authority to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party, (B) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and (C) grant a security interest in the Sold Assets and Seller Collateral to the Administrative Agent on the terms and subject to the conditions herein provided and (ii) has duly authorized by all necessary limited liability company action such grant and the execution,

delivery and performance of, and the consummation of the transactions provided for in, this Agreement and the other Transaction Documents to which it is a party.

(d) *Binding Obligations.* This Agreement and each of the other Transaction Documents to which the Seller is a party have been duly executed and delivered and constitutes the legal, valid and binding obligations of the Seller, enforceable against the Seller in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) *No Conflict or Violation.* The execution, delivery and performance of, and the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents to which the Seller is a party, and the fulfillment of the terms hereof and thereof, will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under its organizational documents or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument to which the Seller is a party or by which it or any of its properties is bound, (ii) result in the creation or imposition of any Adverse Claim upon any of the Sold Assets or Seller Collateral pursuant to the terms of any such indenture, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument other than this Agreement and the other Transaction Documents or (iii) conflict with or violate any Applicable Law.

(f) *Litigation and Other Proceedings.* (i) There is no action, suit, proceeding or investigation pending or, to the knowledge of the Seller, threatened, against the Seller before any Governmental Authority and (ii) the Seller is not subject to any order, judgment, decree, injunction, stipulation or consent order of or with any Governmental Authority that, in the case of either of the foregoing clauses (i) and (ii), (A) purports to affect the legality, validity or enforceability of this Agreement or any other Transaction Document, (B) individually or in the aggregate for all such actions, suits, proceedings and investigations could reasonably be expected to have a Material Adverse Effect, or (C) is not disclosed in a filing by the Seller with the SEC.

(g) *Governmental Approvals.* Except where the failure to obtain or make such authorization, consent, order, approval or action could not reasonably be expected to have a Material Adverse Effect, all authorizations, consents, orders and approvals of, or other actions by, any Governmental Authority that are required to be obtained by the Seller in connection with the grant of a security interest in the Sold Assets or the Seller Collateral to the Administrative Agent hereunder or the due execution, delivery and performance by the Seller of this Agreement or any other Transaction Document to which it is a party and the consummation by the Seller of the transactions contemplated by this Agreement and the other Transaction Documents to which it is a party have been obtained or made and are in full force and effect.

(h) *Margin Regulations.* The Seller is not engaged, principally or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meanings of Regulations T, U and X of the Board of Governors of the Federal Reserve System).

(i) *Solvency.* The Seller is Solvent.

(j) *Offices; Legal Name.* The Seller's sole jurisdiction of organization is the State of Delaware and such jurisdiction has not changed within four months prior to the date of this Agreement. The office of the Seller is located at 30 Hudson Yards, New York, New York 10001 (or such other office as is notified to the Administrative Agent by the Seller in accordance with this Agreement). The legal name of the Seller is Warner Bros. Discovery Receivables Funding, LLC (or such name as is notified to the Administrative Agent by the Seller in accordance with this Agreement).

(k) *Investment Company Act; Volcker Rule.* (i) The Seller is not, and is not controlled by, an "investment company" registered or required to be registered under the Investment Company Act and (ii) the transactions contemplated by this Agreement and the Transaction Documents do not result in the Administrative Agent or any Purchaser having an ownership interest in the Seller. For purposes of this clause (k), "ownership interest" has the meaning set forth in § _____.10(d)(6) of the Volcker Rule.

(l) *No Material Adverse Effect.* Since the date of formation of the Seller, there has been no Material Adverse Effect with respect to the Seller.

(m) *Accuracy of Information.* All Information Packages, Investment Requests, certificates, reports, statements, documents and other information furnished in writing to the Administrative Agent or any other Purchaser Party by or on behalf of the Seller pursuant to any provision of this Agreement or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement or any other Transaction Document (taken as a whole and combined with all information previously furnished to the Administrative Agent or such other Purchaser Party), in light of the circumstances under which such information was furnished, was, at the time the same were so furnished, true and accurate in all material respects on the date the same were furnished to the Administrative Agent or such other Purchaser Party, and does not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not misleading.

(n) *Sanctions.* (i) The Seller represents and warrants that each Covered Entity, and its directors and officers, and to Seller's knowledge, any employee, agent, or affiliate acting on behalf of such Covered Entity: (a) is not a Sanctioned Person; (b) does not do any business in or with, or derive any of its operating income from direct or indirect investments in or transactions involving, any Sanctioned Jurisdiction or Sanctioned Person; in each case in violation of applicable Sanctions, and (c) is not in material violation of, and has not, during the past five (5) years, directly or indirectly, knowingly taken any act that could cause any Covered Entity to be in material violation of, applicable Sanctions. Other

than as notified in writing to the Administrative Agent, no Covered Entity nor any of its directors, officers, or to the knowledge of any Seller-Related Party, its employees, agents or affiliates acting on behalf of such Covered Entity has, during the past five (5) years, received any notice or communication from any Governmental Authority that alleges potential violation of any applicable Sanctions. Each Covered Entity has instituted and maintains policies and procedures reasonably designed to ensure compliance with applicable Sanctions. The Seller represents and warrants that none of the Sold Assets or Seller Collateral constitutes Blocked Property.

(ii) The Seller represents and warrants that each Covered Entity, and its directors and officers, and to Seller's knowledge any employee, agent, or affiliate acting on behalf of such Covered Entity, is not in material violation of, and has not, during the past five (5) years, directly or indirectly, knowingly taken any act (including any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of payment, directly or indirectly, of any money or anything of value (including any gift, sample, rebate, travel, meal and lodging expense, entertainment, service, equipment, debt forgiveness, donation, grant or other thing of value, however characterized) to any Government Official or any Person to secure any improper advantage or to obtain or retain business) that would cause any Covered Entity to be in material violation of, Anti-Corruption Laws. Other than as notified in writing to the Administrative Agent, no Covered Entity nor any of its directors, officers, or to the knowledge of any Seller-Related Party, its employees, agents or affiliates acting on behalf of such Covered Entity has, during the past five (5) years, received any notice or communication from any Governmental Authority that alleges potential violation of any Anti-Corruption Laws. Each Covered Entity has instituted and maintains policies and procedures reasonably designed to ensure compliance with Anti-Corruption Laws.

(o) *Linked Accounts.* There are no deposit accounts or other similar accounts that are "linked accounts" tied to any Collection Account unless the applicable depository bank has agreed pursuant to the applicable Account Control Agreement governing such Collection Account that such account will be de-linked upon the Administrative Agent delivering a notice of exclusive control or similar notice under the Account Control Agreement related to such Collection Account.

(p) *Perfection Representations.*

(i) This Agreement creates a valid and continuing ownership or security interest (as defined in the applicable UCC) in the Seller's right, title and interest in, to and under the Sold Assets and Seller Collateral which (A) ownership or security interest has been perfected and is enforceable against creditors of and purchasers from the Seller and (B) will be free of all Adverse Claims in such Sold Assets and Seller Collateral other than Permitted Liens.

(ii) Prior to the sale of, or grant of security interest in, the Sold Assets and Seller Collateral hereunder, the Seller owns and has good and marketable title to such Sold Assets and Seller Collateral free and clear of any Adverse Claim of any Person other than

Permitted Liens. After giving effect to the sale of, or grant of security interest in, the Sold Assets and Seller Collateral hereunder, the Administrative Agent owns or has a first priority perfected security interest in the Sold Assets and Seller Collateral free and clear of any Adverse Claim of any Person other than Permitted Liens.

(iii) All appropriate financing statements, financing statement amendments and continuation statements have been filed in the proper filing office in the appropriate jurisdictions under Applicable Law in order to perfect (and continue the perfection of) the Seller's sale of, and/or grant of a security interest in, the Sold Assets and Seller Collateral (solely to the extent perfection may be achieved by filing a financing statement under the UCC) to the Administrative Agent pursuant to this Agreement.

(iv) Other than the security interest granted to the Administrative Agent pursuant to this Agreement, the Seller has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Sold Assets or Seller Collateral except as permitted by this Agreement and the other Transaction Documents. The Seller has not authorized the filing of and is not aware of any financing statements filed against the Seller that include a description of collateral covering the Sold Assets or Seller Collateral other than any financing statement (i) in favor of the Administrative Agent or (ii) that has been terminated.

(v) Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations contained in this Section 7.01(p) shall be continuing and remain in full force and effect until the Final Payout Date.

(q) *The Lock-Boxes and Collection Accounts.*

(i) *Nature of Collection Accounts.* As of the date each Collection Account is established, such Collection Account constitutes a "deposit account" within the meaning of the applicable UCC.

(ii) *Ownership.* Except with respect to an Excluded Collection Account, each Lock-Box and Collection Account is in the name of the Seller, and the Seller owns and has good and marketable title to the Collection Accounts free and clear of any Adverse Claim. Each Excluded Collection Account is in the name of the applicable Excluded Collection Account Owner, and the applicable Excluded Collection Account Owner owns and has good and marketable title to such Excluded Collection Account free and clear of any Adverse Claim.

(iii) *Perfection.* The Seller has delivered or caused to be delivered to the Administrative Agent a fully executed Account Control Agreement relating to each Lock-Box and Collection Account other than (x) the CAD Exception Account (unless the CAD Exception Account becomes subject to an Account Control Agreement in accordance with Section 9.03), and (y) each Excluded Collection Account. The Administrative Agent has "control" (as defined in Section 9-104 of the UCC) over each Collection Account other than (x) the CAD Exception Account (unless CAD Exception Account becomes subject to

an Account Control Agreement in accordance with Section 9.03), and (y) each Excluded Collection Account.

(iv) *Instructions.* None of the Seller, the Servicer nor any Excluded Collection Account Owner, as applicable, has consented to the applicable Collection Account Bank complying with instructions of any Person other than the Administrative Agent or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner.

(r) *Ordinary Course of Business.* Each remittance of Collections by or on behalf of the Seller to the Purchaser Parties under this Agreement will have been (i) in payment of an obligation incurred by the Seller in the ordinary course of business or financial affairs of the Seller and (ii) made in the ordinary course of business or financial affairs of the Seller.

(s) *Event of Termination.* No Event of Termination or Unmatured Event of Termination has occurred or will result from any Investment or Release.

(t) *Bulk Sales Act.* No transaction contemplated by this Agreement requires compliance by it with any bulk sales act or similar law.

(u) *Eligible Receivables.* Each Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance as of any date is an Eligible Receivable as of such date.

(v) *Taxes.* The Seller has (i) timely filed all U.S. federal and other material tax returns required to be filed by it and (ii) paid, or caused to be paid, all taxes, assessments and other governmental charges, if any, other than taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with GAAP, except in each case to the extent that such failure to file or pay could not reasonably be expected to have a Material Adverse Effect.

(w) *Tax Status.* The Seller has not been characterized as an association (or publicly traded partnership) taxable as a corporation or as a taxable mortgage pool, for U.S. federal income tax purposes. The Seller is not subject to U.S. federal net income tax and its distributions or allocations of income are not subject to U.S. federal withholding tax under Section 1445 or 1446 of the Code.

(x) *Opinions.* The facts regarding the Seller, the Servicer, each Originator, Discovery as Performance Guarantor, the Receivables, the Related Security and the related matters set forth or assumed in the opinion of counsel regarding true sale and substantive consolidation matters delivered in connection with this Agreement and the other Transaction Documents are true and correct in all material respects.

(y) *Other Transaction Documents.* Each representation and warranty made by the Seller under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

(z) *Liquidity Coverage Ratio.* The Seller does not and will not during this Agreement issue any LCR Security. The Seller further represents and warrants that its assets and liabilities are consolidated with the assets and liabilities of the Parent for purposes of GAAP.

(aa) *Beneficial Ownership Regulation.* As of the Restatement Effective Date, the Seller is an entity that is organized under the laws of the United States or of any state and at least 51% of whose common stock or analogous equity interest is owned directly or indirectly by a company listed on the New York Stock Exchange or the American Stock Exchange or designated as a NASDAQ National Market Security listed on the NASDAQ stock exchange and is excluded on that basis from the definition of “Legal Entity Customer” as defined in the Beneficial Ownership Regulation.

Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations and warranties contained in this Section shall be continuing and remain in full force and effect until the Final Payout Date.

Section 7.02. Representations and Warranties of the Servicer. The Servicer represents and warrants to each Purchaser Party as of the Closing Date, the Restatement Effective Date, on each Settlement Date, on each date on which any Information Package or other report is delivered to the Administrative Agent or any Purchaser hereunder, and on each day on which an Investment or Release shall have occurred:

(a) *Organization and Good Standing.* The Servicer is a duly organized and validly existing corporation or other entity in good standing under the laws of its jurisdiction of organization, with the power and authority under its organizational documents and under the laws of its jurisdiction of organization to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted.

(b) *Due Qualification.* The Servicer is duly qualified to do business, is in good standing as a foreign entity and has obtained all necessary licenses and approvals in all jurisdictions in which the conduct of its business or the servicing of the Pool Receivables as required by this Agreement requires such qualification, licenses or approvals, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) *Power and Authority; Due Authorization.* The Servicer has all necessary power and authority to (i) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (ii) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and the execution, delivery and performance of, and the consummation of the transactions provided for in, this Agreement

and the other Transaction Documents to which it is a party have been duly authorized by the Servicer by all necessary action.

(d) *Binding Obligations.* This Agreement and each of the other Transaction Documents to which it is a party have been duly executed and delivered and constitutes legal, valid and binding obligations of the Servicer, enforceable against the Servicer in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) *No Conflict or Violation.* The execution and delivery of this Agreement and each other Transaction Document to which the Servicer is a party, the performance of the transactions contemplated by this Agreement and the other Transaction Documents and the fulfillment of the terms of this Agreement and the other Transaction Documents by the Servicer will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, the organizational documents of the Servicer or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust or other agreement or instrument to which the Servicer is a party or by which it or any of its property is bound except where such conflict, breach or default could not reasonably be expected to have a Material Adverse Effect, or (ii) conflict with or violate any Applicable Law, except to the extent that any such conflict, breach, default, Adverse Claim or violation could not reasonably be expected to have a Material Adverse Effect.

(f) *Litigation and Other Proceedings.* There is no action, suit, proceeding or investigation pending, or to the Servicer's knowledge threatened, against the Servicer before any Governmental Authority: (i) purporting to affect the legality, validity or enforceability of this Agreement or any of the other Transaction Documents; (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document; or (iii) seeking any determination or ruling that could materially and adversely affect the performance by the Servicer of its obligations under, or the validity or enforceability of, this Agreement or any of the other Transaction Documents.

(g) *No Consents.* The Servicer is not required to obtain the consent of any other party or any consent, license, approval, registration, authorization or declaration of or with any Governmental Authority in connection with the execution, delivery, or performance of this Agreement or any other Transaction Document to which it is a party that has not already been obtained, except where the failure to obtain such consent, license, approval, registration, authorization or declaration could not reasonably be expected to have a Material Adverse Effect.

(h) *Compliance with Laws.* The Servicer has maintained in effect all qualifications required under Applicable Law in order to service each Pool Receivable and the related Contract, if any, in accordance with this Agreement except where the failure to

do so would not have a Material Adverse Effect and has complied in all material respects with all other requirements of Applicable Law in connection with servicing each Pool Receivable and the related Contract.

(i) *Accuracy of Information.* All Information Packages, Investment Requests, certificates, reports, statements, documents and other information furnished in writing to the Administrative Agent or any other Purchaser Party by the Servicer or on behalf of the Seller pursuant to any provision of this Agreement or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement or any other Transaction Document (taken as a whole and combined with all information previously furnished to the Administrative Agent or such other Purchaser Party), in light of the circumstances under which such information was furnished, was, at the time the same were so furnished, true and accurate in all material respects on the date the same were furnished to the Administrative Agent or such other Purchaser Party, and does not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not misleading.

(j) *Location of Records.* The offices where the initial Servicer keeps all of its records relating to the servicing of the Pool Receivables are located at One CNN Center, Atlanta, GA 30303.

(k) *Credit and Collection Policy.* The Servicer has complied in all material respects with the Credit and Collection Policy with regard to each Pool Receivable and the related Contracts.

(l) *Eligible Receivables.* Each Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance as of any date is an Eligible Receivable as of such date.

(m) *Servicing Programs.* No license or approval is required for the Administrative Agent's use of any software or other computer program used by the Servicer, any Originator, or any Sub-Servicer in the servicing of the Pool Receivables, other than those which have been obtained and are in full force and effect.

(n) *Servicing of Pool Receivables.* Since the Restatement Effective Date there has been no material adverse change in the ability of the Servicer or any Sub-Servicer to service and collect the Pool Receivables and the Related Security.

(o) *Other Transaction Documents.* Each representation and warranty made by the Servicer under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

(p) *No Material Adverse Effect.* Since December 31, 2021, there has been no Material Adverse Effect on the Servicer.

(q) *Investment Company Act.* The Servicer is not an “investment company,” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act.

(r) *Sanctions.* (i) The Servicer represents and warrants that each Covered Entity, and its directors and officers, and to Servicer’s knowledge, any employee, agent, or affiliate acting on behalf of such Covered Entity: (a) is not a Sanctioned Person; (b) does not do any business in or with, or derive any of its operating income from direct or indirect investments in or transactions involving, any Sanctioned Jurisdiction or Sanctioned Person, in each case in violation of applicable Sanctions; and (c) is not in material violation of, and has not, during the past five (5) years, directly or indirectly, knowingly taken any act that could cause any Covered Entity to be in material violation of, applicable Sanctions. Other than as notified in writing to the Administrative Agent, no Covered Entity nor any of its directors, officers, or to the knowledge of any Seller-Related Party, its employees, agents or affiliates acting on behalf of such Covered Entity has, during the past five (5) years, received any notice or communication from any Governmental Authority that alleges potential violation of any applicable Sanctions. Each Covered Entity has instituted and maintains policies and procedures reasonably designed to ensure compliance with applicable Sanctions. The Servicer represents and warrants that none of the Sold Assets or Seller Collateral constitutes Blocked Property.

(ii) The Servicer represents and warrants that each Covered Entity, and its directors and officers, and to Servicer’s knowledge any employee, agent, or affiliate acting on behalf of such Covered Entity, is not in material violation of, and has not, during the past five (5) years, directly or indirectly, knowingly taken any act (including any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of payment, directly or indirectly, of any money or anything of value (including any gift, sample, rebate, travel, meal and lodging expense, entertainment, service, equipment, debt forgiveness, donation, grant or other thing of value, however characterized) to any Government Official or any Person to secure any improper advantage or to obtain or retain business) that would cause any Covered Entity to be in material violation of, Anti-Corruption Laws. Other than as notified in writing to the Administrative Agent, no Covered Entity nor any of its directors, officers, or to the knowledge of any Seller-Related Party, its employees, agents or affiliates acting on behalf of such Covered Entity has, during the past five (5) years, received any notice or communication from any Governmental Authority that alleges potential violation of any Anti-Corruption Laws. Each Covered Entity has instituted and maintains policies and procedures reasonably designed to ensure compliance with Anti-Corruption Laws.

(s) *Event of Termination.* No Event of Termination or Unmatured Event of Termination has occurred or will result from any Investment or Release.

(t) *Financial Condition.* The consolidated balance sheets of the Parent and its consolidated Subsidiaries as of December 31, 2021, and the related statements of income and shareholders’ equity of the Parent and its consolidated Subsidiaries for the fiscal quarter then ended, copies of which have been furnished to the Administrative Agent and

the Group Agents, present fairly in all material respects the consolidated financial position of the Parent and its consolidated Subsidiaries for the period ended on such date, all in accordance with GAAP.

(u) *Reserved*

(v) *Reserved.*

(w) *Opinions.* The facts regarding the Seller, the Servicer, each Originator, Discovery as Performance Guarantor, the Receivables, the Related Security and the related matters set forth or assumed in the opinion of counsel regarding true sale and substantive consolidation matters delivered in connection with this Agreement and the other Transaction Documents are true and correct in all material respects.

(x) *Other Transaction Documents.* Each representation and warranty made by the Servicer under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations and warranties contained in this Section shall be continuing and remain in full force and effect until the Final Payout Date.

ARTICLE VIII

COVENANTS

Section 8.01. Covenants of the Seller. At all times from the Closing Date until the Final Payout Date:

(a) *Reserved.*

(b) *Existence.* The Seller shall keep in full force and effect its existence and rights as a limited liability company under the laws of the State of Delaware and shall obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the other Transaction Documents, the Sold Assets, and the Seller Collateral.

(c) *Financial Reporting.* The Seller will maintain a system of accounting established and administered in accordance with GAAP, and the Seller (or the Servicer on its behalf) shall furnish to the Administrative Agent and each Group Agent:

(i) *Annual Financial Statements of the Seller.* Promptly upon completion and in no event later than 90 days after the close of each fiscal year of the Seller (or, if applicable, the date on which the audited financial statements of the Parent are delivered in accordance with Section 8.01(c)(v)), annual unaudited financial statements of the Seller certified by a Financial Officer of the Seller that

they fairly present in all material respects, in accordance with GAAP, the financial condition of the Seller as of the date indicated and the results of its operations for the periods indicated.

(ii) *Information Packages.* As soon as available and in any event not later than two (2) Business Days prior to each Settlement Date, an Information Package as of the most recently completed Fiscal Month; provided, however, that in the event the long-term credit rating of the then applicable Performance Guarantor is downgraded to below or equal to B+ by S&P or B1 by Moody's, the Administrative Agent or the Majority Group Agents may request that the Seller provide an interim report with respect to the Pool Receivables containing such information as the Administrative Agent may reasonably request (until otherwise notified by the Administrative Agent or the long-term credit rating of the then applicable Performance Guarantor is upgraded to above B+ by S&P or B1 by Moody's) by the third Business Day of each week; further, provided, however, that at any time when an Event of Termination has occurred and is continuing, the Seller shall furnish to the Administrative Agent promptly upon request an interim report with respect to the Pool Receivables containing such information as the Administrative Agent may reasonably request.

(iii) *Other Information.* Such other information (including non-financial information) as the Administrative Agent or any Group Agent may from time to time reasonably request.

(iv) *Quarterly Financial Statements of Parent.* As soon as available and in no event later than 45 days following the end of each of the first three fiscal quarters in each of Parent's fiscal years (or, if applicable, the date on which the Parent is required to file its quarterly report on Form 10-Q by the SEC), (i) the unaudited consolidated balance sheet and statements of income of Parent and its consolidated Subsidiaries as at the end of such fiscal quarter and the related unaudited consolidated statements of earnings and cash flows for such fiscal quarter and for the elapsed portion of the fiscal year ended with the last day of such fiscal quarter, in each case setting forth comparative figures for the corresponding fiscal quarter in the prior fiscal year, all of which shall be certified by a Financial Officer of Parent that they fairly present in all material respects, in accordance with GAAP, the financial condition of Parent and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated, subject to normal year-end audit adjustments and the absence of footnotes and (ii) management's discussion and analysis of the important operational and financial developments during such fiscal quarter.

(v) *Annual Financial Statements of Parent.* Within 90 days after the close of each of Parent's fiscal years (or, if applicable, the date on which the Parent is required to file its quarterly report on Form 10-K by the SEC), the consolidated balance sheet of Parent and its consolidated Subsidiaries as at the end of such fiscal year and the related consolidated statements of earnings and cash flows for such

fiscal year setting forth comparative figures for the preceding fiscal year, all reported on by independent certified public accountants of recognized national standing (without (x) a “going concern” or like qualification or exception or (y) a qualification as to the scope of the audit) to the effect that such consolidated financial statements present fairly in all material respects, in accordance with GAAP, the financial condition of Parent and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated.

(vi) Unless otherwise set forth herein, any financial information or other material required to be delivered pursuant to this paragraph (c) with respect to the Parent shall be deemed to have been furnished to each of the Administrative Agent and each Group Agent on the earlier of (A) the date that such financial information or other material is posted on the SEC’s website at www.sec.gov and (B) the date on which the Parent posts such financial information or other material on its website on the Internet at www.att.com or at such other website identified by the Seller in a notice to the Administrative Agent and the Purchasers and that is accessible by the Purchasers without charge.

(d) *Notices.* The Seller (or the Servicer on its behalf) will notify the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than three (3) Business Days after) a Financial Officer or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) *Notice of Events of Termination or Unmatured Events of Termination.* A statement of a Financial Officer of the Seller setting forth details of any Event of Termination or Unmatured Event of Termination that has occurred and is continuing and the action which the Seller proposes to take with respect thereto.

(ii) *Representations and Warranties.* The failure of any representation or warranty made or deemed to be made by the Seller under this Agreement or any other Transaction Document to be true and correct in any material respect when made or deemed made.

(iii) *Litigation.* The institution of any litigation, arbitration proceeding or governmental proceeding with respect to the Seller, the Servicer, the Performance Guarantor, or any Originator, which with respect to any Person other than the Seller, could reasonably be expected to have a Material Adverse Effect.

(iv) *Adverse Claim.* (A) Any Person shall obtain an Adverse Claim upon the Sold Assets or Seller Collateral or any portion thereof other than Permitted Liens, (B) any Person other than the Seller, the Servicer, the Administrative Agent or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner shall obtain any rights or direct any action with respect to any Collection Account (or related Lock-Box) or (C) any Obligor shall receive

any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Servicer or the Administrative Agent.

(v) *Name Changes.* At least thirty (30) days (or such shorter period of time as the Administrative Agent may agree) before any change in the Seller's name, jurisdiction of organization or any other change requiring the amendment of UCC financing statements.

(vi) *Reserved.*

(vii) *Termination Event.* The occurrence of a Purchase and Sale Termination Event under the Purchase and Sale Agreement.

(viii) *Material Adverse Change.* Promptly after the occurrence thereof, notice of any Material Adverse Effect with respect to any Originator, the Servicer, the Performance Guarantor or the Seller.

(e) *Conduct of Business.* The Seller will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and will do all things necessary to remain duly organized, validly existing and in good standing as a domestic organization in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted.

(f) *Compliance with Laws.* The Seller will comply with all Applicable Laws to which it may be subject including, without limitation, Anti-Corruption Laws, International Trade Laws, ERISA and the PATRIOT Act, if the failure to comply could reasonably be expected to have a Material Adverse Effect.

(g) *Furnishing of Information and Inspection of Receivables.* The Seller will furnish or cause to be furnished to the Administrative Agent and each Group Agent from time to time such information with respect to the Pool Receivables and the other Sold Assets and the Seller Collateral as the Administrative Agent or any Group Agent may reasonably request. Once a year (or more frequently, which may be as often as the Administrative Agent may determine, while an Event of Termination shall have occurred and be continuing) the Seller will, at the Seller's expense, during regular business hours with reasonable prior written notice (i) permit the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Pool Receivables or other Sold Assets and the Seller Collateral, (B) visit the offices and properties of the Seller for the purpose of examining such books and records and (C) upon execution of a confidentiality agreement, discuss matters relating to the Pool Receivables, the other Sold Assets, the Seller Collateral, or the Seller's performance hereunder or under the other Transaction Documents to which it is a party with any of the designated Financial Officers or independent public accountants of the Seller having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the

Seller's expense, upon prior written notice from the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to such Pool Receivables, other Sold Assets, and the Seller Collateral; *provided*, that the Seller shall be required to reimburse the Administrative Agent for only one (1) such review pursuant to clause (ii) above in any twelve-month period, unless an Event of Termination has occurred and is continuing; *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract, or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract; *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

(h) *Payments on Receivables, Collection Accounts.* (i) The Seller (or the Servicer on its behalf) will at all times, instruct all Obligors to deliver payments on the Pool Receivables to a Collection Account or a Lock-Box. The Seller (or the Servicer on its behalf) will, and will cause the Originator to, at all times, maintain such books and records necessary to identify Collections received from time to time on Pool Receivables and to segregate such Collections from other property of the Servicer and the Originators. If any payments on the Pool Receivables or other Collections are received by the Seller, the Servicer, or an Originator, it shall hold such payments in trust for the benefit of the Administrative Agent, the Group Agents and the other Secured Parties and promptly (but in any event within one (1) Business Day after receipt) remit such funds into a Collection Account.

(ii) The Seller (or the Servicer on its behalf) will cause each Collection Account Bank to comply with the terms of each applicable Account Control Agreement other than with respect to (x) the CAD Exception Account unless the CAD Exception Account becomes subject to an Account Control Agreement in accordance with Section 9.03, and (y) any Excluded Collection Account. Except with respect to any Excluded Collection Account which shall be subject to Section 8.01(dd) and Section 8.02(j), the Seller shall not permit funds other than Collections on Pool Receivables and other Sold Assets and Seller Collateral to be deposited into any Collection Account except with respect to any amounts received in respect of Excluded Receivables; *provided* that in the event the Parent long-term credit rating is downgraded to below BB by S&P or Ba2 by Moody's, the Seller shall use commercially reasonable efforts to cause all such funds not representing Collections on Pool Receivables and other Sold Assets and Seller Collateral to no longer be deposited into any Collection Account promptly upon the request of the Administrative Agent. The Seller (or the Servicer on its behalf) shall identify and transfer any funds not representing Collections on Pool Receivables and other Sold Assets and Seller Collateral, deposited into

any Collection Account other than an Excluded Collection Account to the appropriate Person entitled to such funds within two (2) Business Days of such deposit. The Seller will not, and will not permit the Servicer, any Originator or any other Person to commingle Collections or other funds to which the Administrative Agent, any Group Agent or any other Secured Party is entitled, with any other funds except as set forth herein.

(iii) The Seller shall only add a Collection Account (or a related Lock-Box) or a Collection Account Bank to those listed on Schedule II to this Agreement, if the Administrative Agent has received notice of such addition and an executed and acknowledged copy of an Account Control Agreement (or an amendment thereto) in form and substance acceptable to the Administrative Agent from the applicable Collection Account Bank. The Seller shall only terminate a Collection Account Bank or close a Collection Account (or a related Lock-Box) with the prior written consent of the Administrative Agent. The Servicer shall ensure that no disbursements are made from any Collection Account, other than such disbursements that are made at the direction and for the account of the Seller or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner.

(i) *Sales, Liens, Etc.* Except as otherwise provided herein, the Seller will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon (including, without limitation, the filing of any financing statement) or with respect to, any Pool Receivable, Sold Assets, or any Seller Collateral other than Permitted Liens, or assign any right to receive income in respect thereof.

(j) *Extension or Amendment of Pool Receivables.* Except as otherwise permitted in Section 9.02, the Seller will not, and will not permit the Servicer to, alter the delinquency status or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, any term or condition of any related Contract. The Seller shall at its expense, timely and fully perform and comply in all material respects with all provisions, covenants and other promises required to be observed by it under the Contracts related to the Pool Receivables, and timely and fully comply with the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(k) *Change in Credit and Collection Policy.* The Seller will not (and will not permit the Servicer to) make any change in the Credit and Collection Policy that could reasonably be expected to materially adversely affect the underwriting standards, the collectability of the Receivables, the credit quality of any Receivable, the enforceability of any related contract or the Seller's or the Servicer's ability to perform its obligations under the related contract or the Transaction Documents without the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed).

(l) *Fundamental Changes.* The Seller shall not, without the prior written consent of the Administrative Agent and the Majority Group Agents, permit itself (i) to merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of

(whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person or (ii) undertake any division of its rights, assets, obligations, or liabilities pursuant to a plan of division or otherwise pursuant to Applicable Law or (iii) to be directly owned by any Person other than an Originator.

(m) *Books and Records.* The Seller shall keep and maintain (or cause the Servicer to keep and maintain) all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(n) *Reserved.*

(o) *Reserved.*

(p) *Security Interest, Etc.* The Seller shall (and shall cause the Servicer to), at its expense, take all action necessary or reasonably desirable to establish and maintain with respect to the Sold Assets and Seller Collateral, a valid and enforceable ownership or security interest in the Sold Assets and Seller Collateral, and a first priority perfected security interest in the Sold Assets and Seller Collateral free and clear of any Adverse Claim other than Permitted Liens, in favor of the Administrative Agent (on behalf of the Secured Parties), including taking such action to perfect, protect or more fully evidence the security interest of the Administrative Agent (on behalf of the Secured Parties) as the Administrative Agent or any Secured Party may reasonably request. In order to evidence the security interests of the Administrative Agent under this Agreement, the Seller shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's security interest in the Receivables, Related Security and Collections. The Seller shall, from time to time and within the time limits established by Applicable Law, prepare and present to the Administrative Agent for the Administrative Agent's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrative Agent's security interest as a first-priority interest. The Administrative Agent's approval of such filings shall authorize the Seller to file such financing statements under the UCC without the signature of the Seller, any Originator or the Administrative Agent where allowed by Applicable Law. Notwithstanding anything else in the Transaction Documents to the contrary, the Seller shall not have any authority to file a termination, partial termination, release, partial release, or any amendment that deletes the name of a debtor or excludes any Sold Assets or Seller Collateral, of any such financing statements filed in connection with the Transaction Documents, without the prior written consent of the Administrative Agent.

(q) *Certain Agreements.* Without the prior written consent of the Administrative Agent and the Majority Group Agents, the Seller will not (and will not

permit any Originator, or the Servicer to) amend, modify, waive, revoke or terminate any Transaction Document to which it is a party (which, for clarification, shall not include the addition or removal of an Originator without the consent of the Administrative Agent or any Group Agent to the extent not required pursuant to the terms of the Purchase and Sale Agreement) or any provision of the Seller's organizational documents which requires the consent of the "Independent Director" (as such term is used in the Seller's Certificate of Formation and Limited Liability Company Agreement).

(r) *Restricted Payments.* (i) Except pursuant to clause (ii) below, the Seller will not: (A) purchase or redeem any of its membership interests, (B) declare or pay any dividend or set aside any funds for any such purpose, (C) prepay, purchase or redeem any Debt, (D) lend or advance any funds or (E) repay any loans or advances to, for or from any of its Affiliates (the amounts described in clauses (A) through (E) being referred to as "*Restricted Payments*").

(ii) Subject to the limitations set forth in clause (iii) below, the Seller may make Restricted Payments so long both immediately before and immediately after giving effect thereto, the Seller's Net Worth is not less than the Required Capital Amount.

(iii) The Seller may make Restricted Payments only out of (A) the funds, if any, it receives pursuant to Section 4.01 of this Agreement or (B) funds held in the Pledged Deposit Account and the Pledged Investment Account; *provided* that the Seller shall not pay, make or declare any Restricted Payment (including any dividend) if, after giving effect thereto, any Event of Termination or Unmatured Event of Termination shall have occurred and be continuing.

(s) *Other Business.* The Seller will not: (i) engage in any business other than the transactions contemplated by the Transaction Documents, (ii) create, incur or permit to exist any Debt of any kind (or cause or permit to be issued for its account any letters of credit or bankers' acceptances) other than pursuant to this Agreement or the Subordinated Notes or (iii) form any Subsidiary or make any investments in any other Person; *provided, however,* that the Seller shall be permitted to incur minimal obligations to the extent necessary for the day-to-day operations of the Seller.

(t) *Use of Collections Available to the Seller.* The Seller shall apply the Collections available to the Seller to make payments in the following order of priority: (i) the payment of its obligations under this Agreement and each of the other Transaction Documents (other than the Subordinated Notes) and (ii) other legal and valid purposes.

(u) *Further Assurances; Change in Name or Jurisdiction of Origination, Etc.* (i) The Seller hereby authorizes and hereby agrees from time to time, at its own expense, promptly to execute (if necessary) and deliver all further instruments and documents, and to take all further actions, that may be necessary or desirable, or that the Administrative Agent may reasonably request, to perfect, protect or more fully evidence the security interest granted pursuant to this Agreement or any other Transaction Document, or to enable the Administrative Agent (on behalf of the Secured Parties) to exercise and enforce

the Secured Parties' rights and remedies under this Agreement and the other Transaction Document. Without limiting the foregoing, the Seller hereby authorizes, and will, upon the request of the Administrative Agent, at the Seller's own expense, execute (if necessary) and file such financing statements or continuation statements, or amendments thereto, and such other instruments and documents, that may be necessary or desirable, or that the Administrative Agent may reasonably request, to perfect, protect or evidence any of the foregoing.

(ii) The Seller authorizes the Administrative Agent to file financing statements, continuation statements and amendments thereto and assignments thereof, relating to the Receivables, the Related Security, the related Contracts, Collections with respect thereto and the other Sold Assets and Seller Collateral without the signature of the Seller. A photocopy or other reproduction of this Agreement shall be sufficient as a financing statement where permitted by law.

(iii) The Seller shall at all times be organized under the laws of the State of Delaware and shall not take any action to change its jurisdiction of organization.

(iv) The Seller shall not make any change in the Seller's name, organization type, jurisdiction of formation or location or make any other change requiring an amendment of any UCC financing statements unless (x) the Seller shall have provided at least thirty (30) days (or such shorter period of time as the Administrative Agent may agree) prior written notice to the Administrative Agent and the Majority Group Agents, (y) the Seller, at its own expense, shall have taken all action necessary or appropriate to perfect or maintain the perfection of the security interest under this Agreement (including, without limitation, the filing of all financing statements and the taking of such other action as the Administrative Agent may request in connection with such change or relocation) and (z) if requested by the Administrative Agent, the Seller shall cause to be delivered to the Administrative Agent, an opinion, in form and substance satisfactory to the Administrative Agent as to such UCC perfection and priority matters as the Administrative Agent may request at such time.

(v) *Sanctions and Anti-Corruption.* The Seller hereby agrees that it shall: (a) notify each Purchaser Party in writing within 10 business days upon the occurrence of a Reportable Compliance Event; (b) promptly provide substitute Sold Assets and Seller Collateral to the Administrative Agent if, at any time, any Sold Assets or Seller Collateral becomes Blocked Property; and (c) conduct its business in material compliance with applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions and maintain in effect policies and procedures reasonably designed to ensure compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions by each Covered Entity, and its directors and officers, and any employee, agent or affiliate acting on behalf of such Covered Entity in connection with this Agreement.

The Seller shall not and, not permit its directors and officers, and any employee, agent, or affiliate acting on behalf of the Seller in connection with this Agreement, nor Seller's Subsidiaries to: (a) become a Sanctioned Person; (b) directly or indirectly, provide, use, or

make available the proceeds of any Investment hereunder (i) to fund any activities or business of, with, or for the benefit of any Person that, at the time of such funding, is a Sanctioned Person, in violation of applicable Sanctions, (ii) to fund any activities or business of or in any Sanctioned Jurisdiction, in violation of applicable Sanctions, or (iii) in any manner that could result in a violation by any party to this Agreement of applicable Anti-Corruption Law, Anti-Money Laundering Laws, or Sanctions (including any Purchaser Party, underwriter, advisor, investor, or otherwise); (c) repay any Investment with Blocked Property or funds derived from any unlawful activity; or (d) permit any Sold Assets or Seller Collateral to become Blocked Property.

(w) *Reserved.*

(x) *Seller's Net Worth.* The Seller shall not permit the Seller's Net Worth to be less than the Required Capital Amount.

(y) *Taxes.* The Seller will (i) timely file all U.S. federal and other material tax returns (federal, state and local) required to be filed by it and (ii) pay, or cause to be paid, before the same shall become delinquent, all taxes, assessments and other governmental charges, if any, other than taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with GAAP, unless and until any Lien resulting therefrom attaches to its property and becomes enforceable against its other creditors, except in each case to the extent that such failure to file or pay could not reasonably be expected to have a Material Adverse Effect.

(z) *Seller's Tax Status.* The Seller shall not be characterized as an association (or publicly traded partnership) taxable as a corporation or as a taxable mortgage pool, for U.S. federal income tax purposes. The Seller shall not become subject to U.S. federal net income tax and its distributions or allocations of income are not subject to U.S. federal withholding tax under Section 1445 or 1446 of the Code. The Seller shall not become subject to any material Tax in any jurisdiction outside the United States.

(aa) *Minimum Funding Threshold.* The Seller shall maintain Aggregate Capital equal to or greater than an amount that is equal to the lesser of (a) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (b) the Capital Coverage Amount at such time.

(bb) *Liquidity Coverage Ratio.* The Seller shall not issue any LCR Security.

(cc) *Beneficial Ownership Regulation.* Promptly following any change that would result in a change to the status as an excluded "Legal Entity Customer" under (and as defined in) the Beneficial Ownership Regulation, the Seller shall execute and deliver to the Administrative Agent and each Group Agent a Certificate of Beneficial Ownership complying with the Beneficial Ownership Regulation, in form and substance reasonably acceptable to the Administrative Agent.

(dd) *Excluded Collection Accounts.* The Seller or the Servicer on its behalf shall cause the related Excluded Collection Account Owner to cause all Collections on Pool Receivables and other Sold Assets and Seller Collateral deposited into any Excluded Collection Account to be deposited into a Collection Account maintained in the name of the Seller and subject to an Account Control Agreement by no later than (A) so long as neither (x) an Event of Termination has occurred and is continuing and (y) the Parent credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is not below BBB- by S&P or Baa3 by Moody's, each Monthly Settlement Date; (B) at any time that the Parent credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is downgraded to below BBB- by S&P or Baa3 by Moody's but prior to the occurrence and continuance of an Event of Termination, five (5) Business Days after receipt thereof; or (C) following the occurrence and continuance of an Event of Termination, one (1) Business Day after receipt thereof. The Seller shall not and shall cause the related Excluded Collection Account Owner not to permit any other Person to have any Adverse Claim, obtain any rights or direct any action with respect to any Excluded Collection Account.

Section 8.02. Covenants of the Servicer. At all times from the Closing Date until the Final Payout Date:

(a) *Existence.* The Servicer shall keep in full force and effect its existence and rights as a corporation or other entity. The Servicer shall obtain and preserve its qualification to do business in each jurisdiction in which the conduct of its business or the servicing of the Pool Receivables as required by this Agreement requires such qualification, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(b) *Financial Reporting.* The Servicer will maintain a system of accounting established and administered in accordance with GAAP, and the Servicer, on behalf of the Seller, shall furnish to the Administrative Agent and each Group Agent:

(i) *Compliance Certificates.* (a) A compliance certificate promptly upon completion of the annual report of the Parent and in no event later than 90 days after the close of the Parent's fiscal year, in form and substance substantially similar to Exhibit H signed by a Financial Officer of the Servicer stating that no Event of Termination or Unmatured Event of Termination has occurred and is continuing, or if any Event of Termination or Unmatured Event of Termination has occurred and is continuing, stating the nature and status thereof and (b) within 45 days after the close of the first three fiscal quarters of the Parent, a compliance certificate in form and substance substantially similar to Exhibit H signed by a Financial Officer of the Parent stating that no Event of Termination or Unmatured Event of Termination has occurred and is continuing, or if any Event of Termination or Unmatured Event of Termination has occurred and is continuing, stating the nature and status thereof.

(ii) *Information Packages.* As soon as available and in any event not later than two (2) Business Days prior to each Settlement Date, an Information Package as of the most recently completed Fiscal Month; *provided, however*, that at any time when an Event of Termination has occurred and is continuing, the Servicer shall furnish to the Administrative Agent promptly upon request an interim report with respect to the Pool Receivables containing such information as the Administrative Agent may reasonably request.

(iii) *Other Information.* Such other information (including non-financial information) as the Administrative Agent or any Group Agent may from time to time reasonably request.

(c) *Notices.* The Servicer, on behalf of the Seller, will notify the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than three (3) Business Days after) a Financial Officer or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) *Notice of Events of Termination or Unmatured Events of Termination.* A statement of a Financial Officer of the Seller setting forth details of any Event of Termination or Unmatured Event of Termination that has occurred and is continuing and the action which the Seller proposes to take with respect thereto.

(ii) *Representations and Warranties.* The failure of any representation or warranty made or deemed to be made by the Seller, or the Servicer under this Agreement or any other Transaction Document to be true and correct in any material respect when made or deemed made.

(iii) *Litigation.* The institution of any litigation, arbitration proceeding or governmental proceeding with respect to the Seller, the Servicer, the Performance Guarantor, or any Originator, which with respect to any Person other than the Seller, could reasonably be expected to have a Material Adverse Effect.

(iv) *Adverse Claim.* (A) Any Person shall obtain an Adverse Claim upon the Sold Assets or the Seller Collateral or any portion thereof other than Permitted Liens, (B) any Person other than the Seller, the Servicer, the Administrative Agent or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner shall obtain any rights or direct any action with respect to any Collection Account (or related Lock-Box) or (C) any Obligor shall receive any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Servicer or the Administrative Agent.

(v) *Name Changes.* (A) At least thirty (30) days (or such shorter period of time as the Administrative Agent may agree) before any change in the Seller's name, jurisdiction of organization or any other change requiring the amendment of

UCC financing statements and (B) not later than thirty (30) days following the effectiveness of any change in any Originator's name, jurisdiction of organization or any other change requiring the amendment of UCC financing statements.

(vi) *Reserved.*

(vii) *Termination Event.* The occurrence of any of a Purchase and Sale Termination Event under the Purchase and Sale Agreement.

(viii) *Material Adverse Change.* Promptly after the occurrence thereof, notice of any Material Adverse Effect with respect to any Originator, the Servicer, the Performance Guarantor or the Seller.

(d) *Conduct of Business.* The Servicer will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted, and will do all things necessary to remain duly organized, validly existing and in good standing as a domestic corporation or other entity in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted if the failure to have such authority could reasonably be expected to have a Material Adverse Effect.

(e) *Compliance with Laws.* The Servicer shall maintain in effect all qualifications required under Applicable Law in order to service each Pool Receivable and the related Contract, if any, in accordance with this Agreement except where the failure to do so would not have a Material Adverse Effect and will comply in all material respects with all other requirements of Applicable Law in connection with servicing each Pool Receivable and the related Contract.

(f) *Furnishing of Information and Inspection of Receivables.* The Servicer will furnish or cause to be furnished to the Administrative Agent and each Group Agent from time to time such information with respect to the Pool Receivables and the other Sold Assets and the Seller Collateral as the Administrative Agent or any Group Agent may reasonably request. Once a year (or more frequently, which may be as often as the Administrative Agent may determine, while an Event of Termination shall have occurred and be continuing), the Servicer will, at the Servicer's expense, during regular business hours with reasonable prior written notice, (i) permit the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Pool Receivables or the other Sold Assets and the Seller Collateral, (B) visit the offices and properties of the Servicer for the purpose of examining such books and records and (C) upon execution of a confidentiality agreement, discuss matters relating to the Pool Receivables, the other Sold Assets, the Seller Collateral, or the Servicer's performance hereunder or under the other Transaction Documents to which it is a party with any of the designated Financial Officers or independent public accountants of the Servicer (*provided* that representatives of the Servicer are present during such discussions) having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the

Servicer's expense, upon prior written notice from the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to the Pool Receivables, the other Sold Assets, and the Seller Collateral; *provided*, that the Servicer shall be required to reimburse the Administrative Agent for only one (1) such review pursuant to clause (ii) above in any twelve-month period unless an Event of Termination has occurred and is continuing; *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract, or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract; *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent, the Servicer shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

(g) *Payments on Receivables, Collection Accounts.* (i) The Servicer will at all times, instruct all Obligors to deliver payments on the Pool Receivables to a Collection Account or a Lock-Box. The Servicer will, and will cause each Originator to, at all times, maintain such books and records necessary to identify Collections received from time to time on Pool Receivables and to segregate such Collections from other property of the Servicer and the Originators. If any payments on the Pool Receivables or other Collections are received by the Seller, the Servicer, or an Originator, it shall hold such payments in trust for the benefit of the Administrative Agent, the Group Agents and the other Secured Parties and promptly (but in any event within one (1) Business Day after receipt) remit such funds into a Collection Account.

(ii) Except with respect to any Excluded Collection Account which shall be subject to Section 8.01(dd) and Section 8.02(j), the Servicer shall not permit funds other than Collections on Pool Receivables and other Sold Assets and Seller Collateral to be deposited into any Collection Account except with respect to any amounts received in respect of Excluded Receivables; *provided* that in the event the Parent long-term credit rating is downgraded to below BB by S&P or Ba2 by Moody's, the Servicer shall use commercially reasonable efforts to cause all such funds not representing Collections on Pool Receivables and other Sold Assets and Seller Collateral to no longer be deposited into any Collection Account promptly upon the request of the Administrative Agent. The Servicer shall identify and transfer any funds not representing Collections on Pool Receivables and other Sold Assets and Seller Collateral deposited into any Collection Account other than an Excluded Collection Account to the appropriate Person entitled to such funds within two (2) Business Days of such deposit. The Servicer will not, and will not permit the Seller, any Originator or any other Person to commingle Collections or other funds to which the Administrative Agent, any Group Agent or any other Secured Party is entitled, with any other funds except as set forth herein.

(iii) The Servicer shall only add a Collection Account (or a related Lock-Box) or a Collection Account Bank to those listed on Schedule II to this Agreement, if the Administrative Agent has received notice of such addition and an executed and acknowledged copy of an Account Control Agreement (or an amendment thereto) in form and substance acceptable to the Administrative Agent from the applicable Collection Account Bank. The Servicer shall only terminate a Collection Account Bank or close a Collection Account (or a related Lock-Box) with the prior written consent of the Administrative Agent. The Servicer shall ensure that no disbursements are made from any Collection Account, other than such disbursements that are made at the direction and for the account of the Seller or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner.

(h) *Extension or Amendment of Pool Receivables.* Except as otherwise permitted in Section 9.02, the Servicer will not alter the delinquency status or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, any term or condition of any related Contract. The Servicer shall at its expense, timely and fully perform and comply in all material respects with all provisions, covenants and other promises required to be observed by it under the Contracts related to the Pool Receivables, and timely and fully comply with the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(i) *Change in Credit and Collection Policy.* The Servicer will not make any change in the Credit and Collection Policy that could reasonably be expected to materially adversely affect the underwriting standards, the collectability of the Receivables, the credit quality of any Receivable, the enforceability of any related contract or the Seller's or the Servicer's ability to perform its obligations under the related contract or the Transaction Documents without the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed).

(j) *Records.* The Servicer will maintain and implement administrative and operating procedures (including an ability to recreate records evidencing Pool Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(k) *Excluded Collection Accounts.* The Servicer shall cause and shall cause the related Excluded Collection Account Owner to cause all Collections on Pool Receivables and other Sold Assets and Seller Collateral deposited into any Excluded Collection Account to be deposited into a Collection Account maintained in the name of the Seller and subject to an Account Control Agreement by no later than (i) so long as neither (x) an Event of Termination has occurred and is continuing and (y) the Parent credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is not below BBB- by S&P or Baa3 by Moody's, each Monthly Settlement Date; (ii) at any time that

the Parent credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is downgraded to below BBB- by S&P or Baa3 by Moody's but prior to the occurrence and continuance of an Event of Termination, five (5) Business Days after receipt thereof; or (iii) following the occurrence and continuance of an Event of Termination, one (1) Business Day after receipt thereof. The Servicer shall not and shall cause the related Excluded Collection Account Owner not to permit any other Person to have any Adverse Claim, obtain any rights or direct any action with respect to any Excluded Collection Account.

(l) *Security Interest, Etc.* The Servicer shall, at its expense, take all action necessary or reasonably desirable to establish and maintain with respect to the Sold Assets and Seller Collateral, valid and enforceable ownership or security interest in the Sold Assets and Seller Collateral, and first priority perfected security interest in the Sold Assets and Seller Collateral free and clear of any Adverse Claim other than Permitted Liens, in favor of the Administrative Agent (on behalf of the Secured Parties), including taking such action to perfect, protect or more fully evidence the security interest of the Administrative Agent (on behalf of the Secured Parties) as the Administrative Agent or any Secured Party may reasonably request. In order to evidence the security interests of the Administrative Agent under this Agreement, the Servicer shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's security interest in the Receivables, Related Security and Collections. The Servicer shall, from time to time and within the time limits established by law, prepare and present to the Administrative Agent for the Administrative Agent's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrative Agent's security interest as a first-priority interest. The Administrative Agent's approval of such filings shall authorize the Servicer to file such financing statements under the UCC without the signature of the Seller, any Originator or the Administrative Agent where allowed by Applicable Law. Notwithstanding anything else in the Transaction Documents to the contrary, the Servicer shall not have any authority to file a termination, partial termination, release, partial release, or any amendment that deletes the name of a debtor or excludes collateral of any such financing statements filed in connection with the Transaction Documents, without the prior written consent of the Administrative Agent.

(m) *Sanctions and Anti-Corruption.* The Servicer hereby agrees that it shall: (a) notify each Purchaser Party within 10 business days in writing upon the occurrence of a Reportable Compliance Event; (b) promptly provide substitute Sold Assets and Seller Collateral to the Administrative Agent if, at any time, any Sold Assets or Seller Collateral becomes Blocked Property; and (c) conduct its business in material compliance with applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions and maintain in effect policies and procedures reasonably designed to ensure compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions by each Covered Entity, and its directors and officers, and any employee, agent or affiliate acting on behalf of such Covered Entity in connection with this Agreement.

The Servicer shall not and, not permit its directors and officers, and any employee, agent, or affiliate acting on behalf of the Servicer in connection with this Agreement, nor Servicer's Subsidiaries to: (a) become a Sanctioned Person; (b) directly or indirectly, provide, use, or make available the proceeds of any Investment hereunder (i) to fund any activities or business of, with, or for the benefit of any Person that, at the time of such funding, is a Sanctioned Person, in violation of applicable Sanctions, (ii) to fund any activities or business of or in any Sanctioned Jurisdiction, in violation of applicable Sanctions (iii) in any manner that could result in a violation by any party to this Agreement of applicable Anti-Corruption Law, Anti-Money Laundering Laws, or Sanctions (including any Purchaser Party, underwriter, advisor, investor, or otherwise); (c) repay any Investment with Blocked Property or funds derived from any unlawful activity; or (d) permit any Sold Assets or Seller Collateral to become Blocked Property.

(n) *Reserved.*

(o) *Reserved.*

(p) *Taxes.* The Servicer will (i) timely file all U.S. federal and other material tax returns (federal, state and local) required to be filed by it and (ii) pay, or cause to be paid, before the same shall become delinquent, all taxes, assessments and other governmental charges, if any, other than taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with GAAP unless and until any Lien resulting therefrom attaches to its property and becomes enforceable against its other creditors, except in each case to the extent that such failure to file or pay could not reasonably be expected to have a Material Adverse Effect.

(q) *Seller's Tax Status.* The Servicer shall not take or cause any action to be taken that could result in the Seller (i) becoming characterized as an association (or publicly traded partnership) taxable as a corporation or as a taxable mortgage pool, for U.S. federal income tax purposes or (ii) becoming subject to U.S. federal net income tax and its distributions or allocations of income becoming subject to U.S. federal withholding tax under Section 1445 or 1446 of the Code.

Section 8.03. Separate Existence of the Seller. Each of the Seller and the Servicer hereby acknowledges that the Secured Parties, the Group Agents and the Administrative Agent are entering into the transactions contemplated by this Agreement and the other Transaction Documents in reliance upon the Seller's identity as a legal entity separate from any Originator, the Servicer, the Performance Guarantor and their Affiliates. Therefore, each of the Seller and Servicer shall take all steps specifically required by this Agreement or reasonably required by the Administrative Agent or any Group Agent to continue the Seller's identity as a separate legal entity and to make it apparent to third Persons that the Seller is an entity with assets and liabilities distinct from those of the Performance Guarantor, the Originators, the Servicer and any other Person, and is not a division of the Performance Guarantor, the Originators, the Servicer, its Affiliates or any other Person. Without limiting the generality of the foregoing and in addition to and consistent

with the other covenants set forth herein, each of the Seller and the Servicer shall take such actions as shall be required in order that:

(a) *Special Purpose Entity.* The Seller will be a special purpose company whose primary activities are restricted in its Limited Liability Company Agreement to: (i) purchasing or otherwise acquiring from the Originators, owning, holding, collecting, granting security interests or selling interests in the Sold Assets and Seller Collateral, (ii) entering into agreements for the selling, servicing and financing of the Receivables Pool (including the Transaction Documents) and (iii) conducting such other activities as it deems necessary or appropriate to carry out its primary activities.

(b) *No Other Business or Debt.* The Seller shall not engage in any business or activity except as set forth in this Agreement nor, incur any indebtedness or liability other than as expressly permitted by the Transaction Documents.

(c) *Independent Director.* Not fewer than one member of the Seller's board of directors (the "*Independent Director*") shall be a natural person who (i) has never been, and shall at no time be, an equityholder, director, officer, manager, member, partner, officer, employee or associate, or any relative of the foregoing, of any member of the Parent Group (as hereinafter defined) (other than his or her service as an Independent Director of the Seller or an independent director of any other bankruptcy-remote special purpose entity formed for the sole purpose of securitizing, or facilitating the securitization of, financial assets of any member or members of the Parent Group), (ii) is not a customer or supplier of any member of the Parent Group (other than his or her service as an Independent Director of the Seller or an independent director of any other bankruptcy-remote special purpose entity formed for the sole purpose of securitizing, or facilitating the securitization of, financial assets of any member or members of the Parent Group), (iii) is not any member of the immediate family of a person described in (i) or (ii) above, and (iv) has (x) prior experience as an independent director for a corporation or limited liability company whose organizational or charter documents required the unanimous consent of all independent directors thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (y) at least three years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities. For purposes of this clause (c), "Parent Group" shall mean (i) the Parent, the Servicer, the Performance Guarantor, and each Originator, (ii) each person that directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, five percent (5%) or more of the membership interests in the Parent, (iii) each person that controls, is controlled by or is under common control with the Parent and (iv) each of such person's officers, directors, managers, joint venturers and partners. For the purposes of this definition, "control" of a person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise. A person shall be deemed to be an "associate" of (A) a corporation or

organization of which such person is an officer, director, partner or manager or is, directly or indirectly, the beneficial owner of ten percent (10%) or more of any class of equity securities, (B) any trust or other estate in which such person serves as trustee or in a similar capacity and (C) any relative or spouse of a person described in clause (A) or (B) of this sentence, or any relative of such spouse.

The Seller shall (A) give written notice to the Administrative Agent of the election or appointment, or proposed election or appointment, of a new Independent Director of the Seller, which notice shall be given not later than ten (10) Business Days prior to the date such appointment or election would be effective (except when such election or appointment is necessary to fill a vacancy caused by the death, disability, or incapacity of the existing Independent Director, or the failure of such Independent Director to satisfy the criteria for an Independent Director set forth in this clause (c), in which case the Seller shall provide written notice of such election or appointment within one (1) Business Day) and (B) with any such written notice, certify to the Administrative Agent that the Independent Director satisfies the criteria for an Independent Director set forth in this clause (c).

The Seller's Limited Liability Company Agreement shall provide that: (A) the Seller's board of directors shall not approve, or take any other action to cause the filing of, a voluntary bankruptcy petition with respect to the Seller unless the Independent Director shall approve the taking of such action in writing before the taking of such action and (B) such provision and each other provision requiring an Independent Director cannot be amended without the prior written consent of the Independent Director.

The Independent Director shall not at any time serve as a trustee in bankruptcy for the Seller, the Parent, the Performance Guarantor, any Originator, the Servicer or any of their respective Affiliates.

(d) *Organizational Documents.* The Seller shall maintain its organizational documents in conformity with this Agreement, such that it does not amend, restate, supplement or otherwise modify its ability to comply with the terms and provisions of any of the Transaction Documents, including, without limitation, Section 8.01(p).

(e) *Conduct of Business.* The Seller shall conduct its affairs strictly in accordance with its organizational documents and observe all necessary, appropriate and customary company formalities, including, but not limited to, holding all regular and special members' and board of directors' meetings appropriate to authorize all company action, keeping separate and accurate minutes of its meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records and accounts, including, but not limited to, payroll and intercompany transaction accounts.

(f) *Compensation.* Any employee, consultant or agent of the Seller will be compensated from the Seller's funds for services provided to the Seller, and to the extent that Seller shares the same officers or other employees as the Servicer (or any other Affiliate thereof), the salaries and expenses relating to providing benefits to such officers

and other employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with such common officers and employees. The Seller will not engage any agents other than its attorneys, auditors and other professionals, and a servicer and any other agent contemplated by the Transaction Documents for the Receivables Pool, which servicer will be fully compensated for its services by payment of the Servicing Fee.

(g) *Servicing and Costs.* The Seller will contract with the Servicer to perform for the Seller all operations required on a daily basis to service the Receivables Pool. The Seller will not incur any indirect or overhead expenses for items shared with the Servicer (or any other Affiliate thereof) that are not reflected in the Servicing Fee. To the extent, if any, that the Seller (or any Affiliate thereof) shares items of expenses not reflected in the Servicing Fee, such as legal, auditing and other professional services, such expenses will be allocated to the extent practical on the basis of actual use or the value of services rendered, and otherwise on a basis reasonably related to the actual use or the value of services rendered.

(h) *Operating Expenses.* The Seller's operating expenses will not be paid by the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof.

(i) *Stationary.* The Seller will have its own separate stationary.

(j) *Books and Records.* The Seller's books and records will be maintained separately from those of the Servicer, the Parent, the Performance Guarantor, the Originators and any of their Affiliates and in a manner such that it will not be difficult or costly to segregate, ascertain or otherwise identify the assets and liabilities of the Seller.

(k) *Disclosure of Transactions.* All financial statements of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof that are consolidated to include the Seller will disclose that (i) the Seller's sole business consists of the purchase or acceptance through capital contributions of the Receivables and Related Rights from the applicable Originators and the subsequent retransfer of or granting of a security interest in such Receivables and Related Rights to the Administrative Agent pursuant to this Agreement, (ii) the Seller is a separate legal entity with its own separate creditors who will be entitled, upon its liquidation, to be satisfied out of the Seller's assets prior to any assets or value in the Seller becoming available to the Seller's equity holders and (iii) the assets of the Seller are not available to pay creditors of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof.

(l) *Segregation of Assets.* The Seller's assets will be maintained in a manner that facilitates their identification and segregation from those of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliates thereof.

(m) *Corporate Formalities.* The Seller will strictly observe limited liability company formalities in its dealings with the Servicer, the Parent, the Performance

Guarantor, the Originators or any Affiliates thereof, and funds or other assets of the Seller will not be commingled with those of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliates thereof except as permitted by this Agreement. The Seller shall not maintain joint bank accounts or other depository accounts to which the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof (other than the Servicer solely in its capacity as such) has independent access. The Seller is not named, and has not entered into any agreement to be named, directly or indirectly, as a direct or contingent beneficiary or loss payee on any insurance policy with respect to any loss relating to the property of the Servicer, the Parent, the Performance Guarantor, the Originators or any Subsidiaries or other Affiliates thereof. The Seller will pay to the appropriate Affiliate the marginal increase or, in the absence of such increase, the market amount of its portion of the premium payable with respect to any insurance policy that covers the Seller and such Affiliate.

(n) *Arm's-Length Relationships.* The Seller will maintain arm's-length relationships with the Servicer, the Parent, the Performance Guarantor, the Originators and any Affiliates thereof. Any Person that renders or otherwise furnishes services to the Seller will be compensated by the Seller at market rates for such services it renders or otherwise furnishes to the Seller. Neither the Seller on the one hand, nor the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof, on the other hand, will be or will hold itself out to be responsible for the debts of the other or the decisions or actions respecting the daily business and affairs of the other. The Seller, the Servicer, the Parent, the Performance Guarantor, the Originators and their respective Affiliates will immediately correct any known misrepresentation with respect to the foregoing, and they will not operate or purport to operate as an integrated single economic unit with respect to each other or in their dealing with any other entity.

(o) *Allocation of Overhead.* To the extent that Seller, on the one hand, and the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof, on the other hand, have offices in the same location, there shall be a fair and appropriate allocation of overhead costs between them, and the Seller shall bear its fair share of such expenses, which may be paid through the Servicing Fee or otherwise.

Section 8.04. Covenants of the Sponsor. At all times from the Closing Date until the Final Payout Date:

(a) *EU Risk Retention.* While any Capital is outstanding, the Sponsor as an "originator" for the purposes of the EU Securitisation, shall on an ongoing basis retain a material net economic interest in the securitisation constituted by the Transaction Documents in an amount at least equal to 5.0% of the nominal value of the Pool Receivables in the form of a first loss tranche (the "*Retained Interest*"), by holding directly or indirectly, 100% of the ownership interests in the Seller, which membership interests represent the residual interest of the Seller in the Pool Receivables that is paid pursuant to clause fifth of the priorities of payment set forth in Section 4.01, in compliance with the EU Securitisation Regulation.

The Retained Interest shall be measured as of the Closing Date and each Settlement Date. For this purpose, (i) the amount of the Retained Interest from time to time shall equal the sum of (A) the excess of the aggregate Outstanding Balance of all Eligible Receivables over the sum of the Aggregate Capital and the aggregate outstanding principal balance of all Subordinated Notes (in each case then outstanding) plus (B) the excess of the aggregate nominal values of the Pool Receivables over the aggregate Outstanding Balance of all Eligible Receivables, and (ii) the aggregate nominal values of the Pool Receivables shall be calculated without deduction for or on account of any Receivable having become a written-off Receivable in accordance with the Credit and Collection Policies.

The method of retention will be in the form of an originator's interest (as described in Article 6(3)(d) of the EU Securitisation Regulation), which form will not change and which retention will not be subject to any credit risk mitigation or any other hedge and will not be sold, transferred or otherwise surrendered, except as permitted by the EU Securitisation Regulation.

The Sponsor shall comply with the applicable disclosure obligations described in Article (7)(1)(e)(iii) of the EU Securitisation Regulation by confirming the Sponsor's risk retention as contemplated by Article 6(1) of the EU Securitisation Regulation through the provision of, *inter alios*, the information and disclosure in the Information Package.

The Sponsor was not established for, and does not operate for, the sole purpose of securitizing exposures.

The Sponsor acknowledges its obligations under Article 9 the EU Securitisation Regulation: (i) in the case of each Pool Receivable for which the Sponsor, directly or indirectly, is involved in the original agreement which creates such asset, it applies the same sound and well-defined criteria for credit granting which it applies to non-securitised exposures; and (ii) in respect of each Pool Receivable for which the Sponsor or its related entities, directly or indirectly, was not involved in the original agreement which created such asset, it will, verify to the extent required pursuant to Article 9(3) of the EU Securitisation Regulations that the entity which was, directly or indirectly, involved in the original agreement which created such asset, has applied to the asset the same sound and well-defined criteria for credit-granting that such entity applies to its non-securitised exposures, in each case as is effective at the time of the creation of such Pool Receivable.

(b) *Information.*

(i) While the Capital is outstanding, the Sponsor and/or the Servicer, upon written request by a Purchaser (which may be in electronic form) shall use reasonable efforts to, at such Purchaser's cost, (A) take such further action and provide such information as may be reasonably required by such Purchaser in order for such Purchaser to comply with its obligations under the EU Securitisation Regulation in relation to the Transaction Documents to the extent such information is in its possession or control, and otherwise (B) cooperate with such Purchaser's reasonable requests and to procure such information from the Servicer and/or Sponsor; *provided* that the Sponsor and the Servicer

provide no assurance that they will be able to provide such information, and, in each case, without breaching a legal or contractual duty of confidentiality.

(ii) If (A) an Event of Termination has occurred or (B) there is a breach of Sponsor's retention requirements under the EU Securitisation Regulation or the Sponsor's representations in Section 8.04(a) above, the Sponsor shall cause the Servicer to include reasonable detail about such event in the Information Package.

(iii) The Sponsor shall procure that the Servicer shall, without delay, make available any significant event disclosures as required by Article 7(1)(g) of the EU Securitisation Regulation.

(iv) The Sponsor confirms that it is the designated entity for the purposes of Article 7 of the EU Securitisation Regulation.

Section 8.05. Post-Merger Covenant . Within 30 days of the consummation of the transactions contemplated by the Merger Agreement (or such later date as may be agreed to by the Administrative Agent), Paramount Skydance Corporation shall become the Performance Guarantor hereunder pursuant to a Performance Guaranty in form and substance substantially similar to the Performance Guaranty in effect on the Fourth Amendment Effective Date and reasonably satisfactory to the Administrative Agent and shall in connection therewith deliver customary corporate certificates (including resolutions, corporate governing documents and an incumbency certificate) and opinions of counsel reasonably satisfactory to the Administrative Agent regarding corporate and enforceability matters and substantive consolidation matters substantively similar to the opinions of counsel delivered in connection with the execution of the Performance Guaranty in effect on the Fourth Amendment Effective Date. Upon the effectiveness of such replacement Performance Guaranty and delivery of the other opinions of counsel and certificates required by this Section 8.05, the Performance Guaranty in effect on the Fourth Amendment Effective Date shall be automatically released.

ARTICLE IX

ADMINISTRATION AND COLLECTION OF RECEIVABLES

Section 9.01. Appointment of the Servicer. (a) The servicing, administering and collection of the Pool Receivables shall be conducted by the Person so designated from time to time as the Servicer in accordance with this Section 9.01. Until the Administrative Agent gives notice to Turner (in accordance with this Section 9.01) of the designation of a new Servicer, Turner is hereby designated as, and hereby agrees to perform the duties and obligations of, the Servicer pursuant to the terms hereof. Upon the occurrence of an Event of Termination, the Administrative Agent may (with the consent of the Majority Group Agents) and shall (at the direction of the Majority Group Agents), designate as Servicer the Parent or an Affiliate thereof to succeed Turner or any successor Servicer, on the condition in each case that the Parent or such Affiliate shall agree to perform the duties and obligations of the Servicer pursuant to the terms hereof.

(b) Upon the designation of a successor Servicer as set forth in clause (a) above, Turner agrees that it will terminate its activities as Servicer hereunder in a manner that the Administrative Agent reasonably determines will facilitate the transition of the performance of such activities to the new Servicer, and Turner shall cooperate with and assist such new Servicer. Such cooperation shall include access to and transfer of records related to Pool Receivables and use by the new Servicer of all licenses (or the obtaining of new licenses), hardware or software necessary or reasonably desirable to collect the Pool Receivables and the Related Security.

(c) Turner acknowledges that, in making its decision to execute and deliver this Agreement, the Administrative Agent and each member in each Group have relied on Turner's agreement to act as Servicer hereunder. Accordingly, Turner agrees that it will not voluntarily resign as Servicer without the prior written consent of the Administrative Agent and the Majority Group Agents.

(d) The Servicer may, and hereby does, delegate its duties and obligations hereunder to each Originator as subservicer with respect to the Receivables generated by such Originator or, solely with respect to a GDS Receivable, to GDS, and may further delegate its duties and obligations hereunder to any other subservicer (each a "*Sub-Servicer*"); *provided*, that, in each such delegation: (i) the Servicer shall remain liable for the performance of the duties and obligations so delegated, (ii) the Seller, the Administrative Agent, each Purchaser and each Group Agent shall have the right to look solely to the Servicer for performance, and (iii) if such Sub-Servicer is not an Affiliate of the Parent, (A) the Administrative Agent and the Majority Group Agents shall have consented in writing in advance to such delegation and (B) such Sub-Servicer shall agree in writing to perform the delegated duties and obligations of the Servicer pursuant to the terms hereof.

Section 9.02. Duties of the Servicer. (a) The Servicer shall take or cause to be taken all such action as may be necessary or reasonably advisable to service, administer and collect each Pool Receivable from time to time, all in accordance with this Agreement and all Applicable Laws, with reasonable care and diligence, and in accordance with the Credit and Collection Policy and consistent with the past practices of the Originators. The Servicer shall set aside, for the accounts of each Group, the amount of Collections to which each such Group is entitled in accordance with Article IV hereof. The Servicer may, in accordance with the Credit and Collection Policy and consistent with past practices of the Originators, take such action, including modifications, waivers or restructurings of Pool Receivables and related Contracts, as the Servicer may reasonably determine to be appropriate to maximize Collections thereof or reflect adjustments expressly permitted under the Credit and Collection Policy or as expressly required under Applicable Laws or the applicable Contract; *provided*, that for purposes of this Agreement: (i) such action shall not, and shall not be deemed to, change the number of days such Pool Receivable has remained unpaid from the date of the original due date related to such Pool Receivable, (ii) such action shall not alter the status of such Pool Receivable as a delinquent Receivable or limit the rights of any Secured Party under this Agreement or any other Transaction Document and (iii) if an Event of Termination has occurred and is continuing and neither the Parent nor an Affiliate thereof is the Servicer at such time, the Servicer may take such action only upon the prior written consent of the Administrative Agent. The Seller shall deliver to the Servicer and the Servicer shall hold for the benefit of the Administrative Agent (individually and for the benefit of each Group), in accordance

with their respective interests, all records and documents (including computer tapes or disks) with respect to each Pool Receivable. Notwithstanding anything to the contrary contained herein, if an Event of Termination has occurred and is continuing, the Administrative Agent may direct the Servicer to commence or settle any legal action to enforce collection of any Pool Receivable that is a defaulted Receivable or to foreclose upon or repossess any Related Security with respect to any such defaulted Receivable.

(b) The Servicer's obligations hereunder shall terminate on the Final Payout Date. Promptly following the Final Payout Date, the Servicer shall deliver to the Seller all books, records and related materials that the Seller previously provided to the Servicer, or that have been obtained by the Servicer, in connection with this Agreement.

Section 9.03. Collection Account Arrangements. The Seller shall have entered into Account Control Agreements with all of the applicable Collection Account Banks and delivered executed counterparts of each to the Administrative Agent except with respect to (i) each Excluded Collection Account, and (ii) the CAD Exception Account; *provided* that in the event the Parent long-term credit rating is downgraded to below BB by S&P or Ba2 by Moody's, the Seller shall enter into an Account Control Agreement with respect to the CAD Exception Account within 30 days of the request of the Administrative Agent (or such greater amount of time agreed to by the Seller and the Administrative Agent). Upon (i) the occurrence and during the continuance of an Event of Termination, (ii) on the date that is five (5) Business Days prior to the Scheduled Termination Date if the Administrative Agent does not reasonably expect the Aggregate Capital and all other Seller Obligations to be refinanced or repaid in full, or (iii) notice of the termination of the sale or contribution by any Originator of Receivables and Related Rights pursuant to Section 8.3 of the Purchase and Sale Agreement (excluding (1) terminations of Originators with the consent of the Administrative Agent and (2) terminations of any Subject Originator so long as the Outstanding Balance of the Receivables originated by it and sold to the Seller, together with the Outstanding Balances with respect to any other Subject Originators terminated over the 12-month period ending on the date of such termination, would not exceed 10.0% of the aggregate Outstanding Balance of all Receivables in the Receivables Pool on the date of such termination), the Administrative Agent may (with the consent of the Majority Group Agents) and shall (upon the direction of the Majority Group Agents) at any time thereafter give notice to each Collection Account Bank that the Administrative Agent is exercising its rights under the Account Control Agreements to do any or all of the following: (a) to have the exclusive ownership and control of the Collection Accounts transferred to the Administrative Agent (for the benefit of the Secured Parties) and to exercise exclusive dominion and control over the funds deposited therein (for the benefit of the Secured Parties), (b) to have the proceeds that are sent to the respective Collection Accounts redirected pursuant to the Administrative Agent's instructions rather than deposited in the applicable Collection Account and (c) to take any or all other actions permitted under the applicable Account Control Agreement. The Seller hereby agrees that if the Administrative Agent at any time takes any action set forth in the preceding sentence, the Administrative Agent shall have exclusive control (for the benefit of the Secured Parties) of the proceeds (including Collections) of all Pool Receivables and the Seller hereby further agrees to take any other action that the Administrative Agent may reasonably request to transfer such control. Any proceeds of Pool Receivables received by the Seller or the Servicer thereafter shall be sent immediately to, or as otherwise instructed by, the Administrative Agent.

Section 9.04. Enforcement Rights. (a) At any time following the occurrence and during the continuation of an Event of Termination:

(i) the Administrative Agent may instruct the Seller or the Servicer to give notice of the Secured Parties' interest in Pool Receivables to each Obligor which notice shall direct that payments be made directly to the Administrative Agent or its designee (on behalf of the Secured Parties), and the Seller or the Servicer, as the case may be, shall give such notice at the expense of the Seller or the Servicer, as the case may be; *provided*, that the Administrative Agent or such designee shall, as promptly as practicable, return to the Seller all amounts that it receives from such Obligors to the extent such amounts do not constitute Collections; *provided, further*, that if the Seller or the Servicer, as the case may be, fails to so notify each Obligor (if applicable) within two (2) Business Days following instruction by the Administrative Agent, the Administrative Agent (at the Seller's or the Servicer's, as the case may be, expense) may so notify the Obligors; *provided*, that the Administrative Agent or such designee shall, as promptly as practicable, return to the Seller all amounts that it receives from such Obligors to the extent such amounts do not constitute Collections.

(ii) the Administrative Agent may request the Servicer to, and upon such request the Servicer shall: (A) assemble all of the records necessary or desirable to collect the Pool Receivables and the Related Security, and transfer or license to a successor Servicer the use of all software necessary or desirable to collect the Pool Receivables and the Related Security, and make the same available to the Administrative Agent or its designee (for the benefit of the Secured Parties) at a place selected by the Administrative Agent; *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor; and (B) segregate all cash, checks and other instruments received by it from time to time constituting Collections in a manner reasonably acceptable to the Administrative Agent and, promptly upon receipt, remit all such cash, checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Administrative Agent or its designee;

(iii) the Administrative Agent may notify the Collection Account Banks that the Seller, and the Servicer will no longer have any access to the Collection Accounts;

(iv) the Administrative Agent may (or, at the direction of the Majority Group Agents shall) replace the Person then acting as Servicer; and

(v) the Administrative Agent may collect any amounts due from (A) an Originator under the Purchase and Sale Agreement or (B) the Performance Guarantor under the Performance Guaranty.

For the avoidance of doubt, the foregoing rights and remedies of the Administrative Agent upon an Event of Termination are in addition to and not exclusive of the rights and remedies contained herein and under the other Transaction Documents.

(b) The Seller hereby authorizes the Administrative Agent (on behalf of the Secured Parties), and irrevocably appoints the Administrative Agent as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Seller, which appointment is coupled with an interest, to take any and all steps in the name of the Seller and on behalf of the Seller necessary or desirable, in the reasonable determination of the Administrative Agent, after the occurrence and during the continuation of an Event of Termination, to collect any and all amounts or portions thereof due under any and all Sold Assets and Seller Collateral, including endorsing the name of the Seller on checks and other instruments representing Collections and enforcing such Sold Assets and Seller Collateral. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

(c) The Servicer hereby authorizes the Administrative Agent (on behalf of the Secured Parties), and irrevocably appoints the Administrative Agent as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Servicer, which appointment is coupled with an interest, to take any and all steps in the name of the Servicer and on behalf of the Servicer necessary or desirable, in the reasonable determination of the Administrative Agent, after the occurrence and during the continuation of an Event of Termination, to collect any and all amounts or portions thereof due under any and all Sold Assets and Seller Collateral, including endorsing the name of the Servicer on checks and other instruments representing Collections and enforcing such Sold Assets and Seller Collateral. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

Section 9.05. Responsibilities of the Seller. (a) Anything herein to the contrary notwithstanding, the Seller shall: (i) perform all of its obligations, if any, under the Contracts related to the Pool Receivables to the same extent as if interests in such Pool Receivables had not been transferred hereunder, and the exercise by the Administrative Agent, or any other Purchaser Party of their respective rights hereunder shall not relieve the Seller from such obligations and (ii) pay when due any material taxes, including any material sales taxes payable in connection with the Pool Receivables and their creation and satisfaction. None of the Purchaser Parties shall have any obligation or liability with respect to any Sold Assets or Seller Collateral, nor shall any of them be obligated to perform any of the obligations of the Seller, the Servicer, or any Originator thereunder.

(b) Turner hereby irrevocably agrees that if at any time it shall cease to be the Servicer hereunder, it shall act (if the then-current Servicer so requests) as the data-processing agent of the Servicer and, in such capacity, Turner shall conduct the data-processing functions of the administration of the Receivables and the Collections thereon in substantially the same way that Turner conducted such data-processing functions while it acted as the Servicer. In connection with any such processing functions, the Seller shall pay to Turner its reasonable out-of-pocket costs and expenses from the Seller's own funds (subject to the priority of payments set forth in Section 4.01).

Section 9.06. Servicing Fee. (a) Subject to clause (b) below, the Seller shall pay the Servicer a fee (the "*Servicing Fee*") equal to 1.00% per annum (the "*Servicing Fee Rate*") of the daily average aggregate Outstanding Balance of the Pool Receivables. Accrued Servicing Fees shall be payable from Collections to the extent of available funds in accordance with Section 4.01.

(b) If the Servicer is neither the Parent nor an Affiliate thereof, the Servicing Fee shall be the greater of: (i) the amount calculated pursuant to clause (a) above and (ii) an alternative amount specified by the successor Servicer not to exceed 110% of the aggregate reasonable costs and expenses incurred by such successor Servicer in connection with the performance of its obligations as Servicer hereunder.

Section 9.07. Credit Insurance Policy.

(a) At all times while (x) any Pool Receivable is being reported in any Information Package as an Insured Receivable or (y) any Pool Receivable is being included in the Net Receivables Pool Balance as an Insured Receivable, with respect to the Credit Insurance Policy insuring such Pool Receivables:

- (i) the Seller shall maintain the Credit Insurance Policy in full force and effect;
- (ii) the Seller shall pay all premiums and other amounts due by the Seller from time to time under the Credit Insurance Policy when due in accordance with the terms thereof;
- (iii) the Seller and the Servicer shall refrain from taking any action or omitting to take any action which could reasonably be expected to prejudice or limit the Seller's or the Administrative Agent's rights to payment under the Credit Insurance Policy;
- (iv) the Seller and the Servicer shall enforce the obligations of the applicable Credit Insurer under the Credit Insurance Policy;
- (v) the Seller and the Servicer shall maintain all records and documents that may be necessary to make claims for reimbursement under the Credit Insurance Policy;
- (vi) the Seller shall, and the Servicer shall cause the Seller to, perform all its other obligations under the Credit Insurance Policy in accordance with the terms thereof (including, without limitation, delivering information regarding the relevant Pool

Receivables and notices of insolvency with respect to the Insured Obligor when required pursuant to the terms of the Credit Insurance Policy);

(vii) the Seller and Servicer shall advise promptly the Administrative Agent of any payment the Seller receives directly under the Credit Insurance Policy, any denial of coverage under the Credit Insurance Policy, any cancellation of the Credit Insurance Policy or any other information received in connection with the Credit Insurance Policy which is material to the payment of any claim thereunder;

(viii) Neither the Seller nor Servicer shall amend, modify or waive (or consent to any such amendment, modification or waiver of) any provision of the Credit Insurance Policy, other than extensions of the term of the Credit Insurance Policy, without the Administrative Agent's prior written consent; and

(ix) The Seller and Servicer shall deliver any additional instruments, certificates and documents, provide such other information and take such other actions as may be necessary or desirable, in the reasonable opinion of the Administrative Agent, to give further assurances of any of the rights granted or provided for herein or under the Credit Insurance Policy (including, without limitation, providing copies of invoices, purchase orders, and the proof of delivery of products as may be requested by the insurer thereunder).

(b) If the Seller fails to pay any premium or other amount due under a Credit Insurance Policy, the Administrative Agent may (in its discretion) pay such premium or other amount from the Sold Assets or Seller Collateral or from its own funds in order to keep such Credit Insurance Policy in force. Any amount so paid by the Administrative Agent from its own funds shall constitute a Seller Indemnified Amount payable by the Seller to the Administrative Agent hereunder.

(c) As to any Insured Receivables only, in the event that the Insured Obligor defaults on the payment of any of its Pool Receivables, becomes subject to an Insolvency Proceeding (or similar term under the terms of the Credit Insurance Policy) or becomes subject to any other event that gives rise to a claim for reimbursement under the Credit Insurance Policy, the Seller and the Servicer shall, promptly (but not later than the time period during which such a claim may be filed pursuant to the terms of the Credit Insurance Policy), file a claim for such reimbursement (with a copy thereof to the Administrative Agent) in accordance with the terms of the Credit Insurance Policy and shall take any other actions required under the terms of the Credit Insurance Policy to obtain such reimbursement (including, without limitation, providing the Credit Insurer with itemized statements, invoices, bills of lading, purchase orders, summaries of collections efforts, evidence of debt or other documentation that may be required under the terms of the Credit Insurance Policy). The Seller and the Servicer shall cause any amounts paid by a Credit Insurer under a Credit Insurance Policy to be paid directly to a Collection Account and to be applied as a Collection in accordance with the terms of this Agreement.

(d) In the event that a Credit Insurer pays a claim under a Credit Insurance Policy with respect to a Pool Receivable and the Seller is required to subrogate its rights, claims, guaranties, security, collateral or defenses to such Credit Insurer in respect of such Pool Receivable, the Seller

shall (and the Servicer shall cause the Seller to) so subrogate such rights, claims, guaranties, security, collateral or defenses in accordance with the terms of the applicable Credit Insurance Policy. Simultaneously with receipt of such a payment in a Collection Account and upon such subrogation, the Administrative Agent shall be automatically deemed to have released to the Seller any ownership or security interest it may have hereunder (on behalf of itself and the Purchasers) in such rights, claims, guaranties, security, collateral or defenses so subrogated, to the extent necessary to permit such subrogation and shall execute such documents to evidence the same as shall be reasonably requested by the Seller, in each case at the sole expense of the Seller; provided, however, that the Administrative Agent shall not be deemed to have released any such ownership or security interest it may have in related rights under the applicable Credit Insurance Policy (including, without limitation, any right of the Seller to receive ratable or other allocations of Collections or other recoveries in respect of the related Pool Receivables).

(e) If a Credit Insurance Policy ceases to be Eligible Credit Insurance, the Seller and the Servicer shall furnish to the Administrative Agent and each Purchaser written notice thereof, together with a statement of the actions the Seller plans to take to remedy such situation, if any, promptly but not later than five (5) Business Days thereafter.

(f) Any Collections received by the Administrative Agent pursuant to a Credit Insurance Policy (including as an additional insured thereunder) shall be distributed in accordance with the priority of payments set forth in Section 4.01(a).

ARTICLE X

EVENTS OF TERMINATION

Section 10.01. Events of Termination. If any of the following events (each an “Event of Termination”) shall occur:

(a) (i) the Seller, any Originator, the Performance Guarantor or the Servicer shall fail to perform or observe any term, covenant or agreement under this Agreement or any other Transaction Document (other than any such failure which would constitute an Event of Termination under clause (ii) or (iii) of this paragraph (a)), and such failure, solely to the extent capable of cure, shall continue for thirty (30) days after the earlier of (x) written notice to the Seller, any Originator, the Performance Guarantor, or the Servicer by the Administrative Agent or any Purchaser, and (y) actual knowledge of the Seller, any Originator, the Performance Guarantor, or the Servicer, (ii) the Seller, any Originator, the Performance Guarantor or the Servicer shall fail to make when due any payment or deposit to be made by it under this Agreement or any other Transaction Document and such failure shall continue unremedied for three (3) Business Days or (iii) Turner shall resign as Servicer, and if the Parent or an Affiliate thereof has not been appointed as Servicer hereunder, no successor Servicer reasonably satisfactory to the Administrative Agent shall have been appointed;

(b) any written representation or warranty made or deemed made by the Seller, any Originator, the Performance Guarantor or the Servicer (or any of their respective

officers) under or in connection with this Agreement or any other Transaction Document or any information or report delivered by the Seller, any Originator, the Performance Guarantor or the Servicer pursuant to this Agreement or any other Transaction Document, shall prove to have been incorrect or untrue in any material respect when made or deemed made or delivered, *provided, however*, any breach of any representation or warranty set forth in Section 7.01(m), 7.01(u), 7.02(i) or 7.02(l) shall not constitute an Event of Termination if a Deemed Collection payment is timely and fully made in connection therewith in accordance with Section 4.01(d);

(c) the Seller or the Servicer shall fail to deliver an Information Package pursuant to this Agreement, and such failure shall remain unremedied for three (3) Business Days after written notice of such failure has been given to the Seller or the Servicer;

(d) this Agreement or any security interest granted pursuant to this Agreement or any other Transaction Document shall for any reason cease to create, or for any reason cease to be, a valid and enforceable first priority perfected security interest in favor of the Administrative Agent with respect to the Pool Receivables or any of the other Sold Assets or Seller Collateral, free and clear of any Adverse Claim other than Permitted Liens;

(e) the Seller, any Originator, the Performance Guarantor or the Servicer shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any Insolvency Proceeding shall be instituted by or against the Seller, any Originator, the Performance Guarantor or the Servicer and, in the case of any such proceeding instituted against such Person (but not instituted by such Person), either such proceeding shall remain undismissed or unstayed for a period of sixty (60) consecutive days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Seller, any Originator, the Performance Guarantor or the Servicer shall take any corporate or organizational action to authorize any of the actions set forth above in this paragraph;

(f) (i) the average for three consecutive Fiscal Months of:

(A) the Default Ratio shall exceed 7.5%,

(B) the Delinquency Ratio shall exceed 12.0%, or

(C) the Dilution Ratio shall exceed 5.0%, or

(ii) the Days' Sales Outstanding shall exceed 95 days;

(g) a Change in Control shall occur;

(h) a Capital Coverage Deficit shall occur, and shall not have been cured within three (3) Business Days;

(i) (i) the Seller shall fail to pay any principal of or premium or interest on any Debt when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (whether or not such failure shall have been waived under the related agreement); (ii) any Originator, the Performance Guarantor or the Servicer, or any of their respective Subsidiaries, individually or in the aggregate, shall fail to pay any principal of or premium or interest on any of its Debt under the Parent Senior Credit Agreement (whether or not funded) or any other Debt that is outstanding in a principal amount of at least \$1,000,000,000 in the aggregate when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (whether or not such failure shall have been waived under the related agreement); (iii) any other event shall occur or condition shall exist under any agreement, mortgage, indenture or instrument relating to any such Debt (as referred to in clause (i) or (ii) of this paragraph and shall continue after the applicable grace period (not to exceed 30 days), if any, specified in such agreement, mortgage, indenture or instrument (whether or not such failure shall have been waived under the related agreement), if the effect of such event or condition is to give the applicable debtholders the right (whether acted upon or not) to accelerate the maturity of such Debt (as referred to in clause (i) or (ii) of this paragraph) or to terminate the commitment of any lender thereunder, or (iv) any such Debt (as referred to in clause (i) or (ii) of this paragraph) shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased, or an offer to repay, redeem, purchase or defease such Debt shall be required to be made or the commitment of any lender thereunder terminated, in each case before the stated maturity thereof;

(j) the Performance Guarantor shall fail to perform any of its material obligations under the Performance Guaranty;

(k) the Seller shall fail (x) at any time (other than for ten (10) Business Days following notice of the death or resignation of any Independent Director) to have an Independent Director who satisfies each requirement and qualification specified in Section 8.03(c) of this Agreement for Independent Directors, on the Seller's board of directors or (y) to timely notify the Administrative Agent of any replacement or appointment of any director that is to serve as an Independent Director on the Seller's board of directors as required pursuant to Section 8.03(c) of this Agreement;

(l) there shall have occurred any event which materially adversely impairs, in the reasonable discretion of Administrative Agent, the collectability of the Pool Receivables generally or any material portion thereof and such event or events either

individually or in the aggregate would reasonably be expected to result in a Material Adverse Effect;

(m) either (i) the Internal Revenue Service shall file notice of a lien pursuant to Section 6323 of the Code with regard to any assets of the Seller, any Originator or the Parent or (ii) the PBGC shall, or shall indicate its intention to, file notice of a lien pursuant to Section 4068 of ERISA with regard to any of the assets of the Seller, the Servicer, any Originator or the Parent with respect to liabilities in the aggregate in excess of \$400,000,000;

(n) the Parent or any ERISA Affiliate shall fail to satisfy minimum funding requirements under Section 412 of the Internal Revenue Code or Section 302 of ERISA to any Plan, or apply for a waiver of such requirements, and such failure could reasonably be expected to subject the Parent or any of its Subsidiaries to any liabilities in the aggregate in excess of \$1,000,000,000;

(o) [reserved];

(p) a Purchase and Sale Termination Event shall occur under the Purchase and Sale Agreement;

(q) the Seller shall (x) be required to register as an “investment company” within the meaning of the Investment Company Act or (y) the transactions contemplated by this Agreement and the Transaction Documents result in the Administrative Agent or any Purchaser having an “ownership interest” (as defined in § _____.10(d)(6) of the Volcker Rule) in the Seller;

(r) any material provision of this Agreement or any other Transaction Document shall cease to be in full force and effect or any of the Seller, any Originator, the Performance Guarantor or the Servicer (or any of their respective Affiliates) shall so state in writing; or

(s) one or more judgments or decrees shall be entered against the Seller, any Originator, the Performance Guarantor or the Servicer, or any Affiliate of any of the foregoing involving in the aggregate a liability (not paid or to the extent not covered by a reputable and solvent insurance company) and such judgments and decrees either shall be final and non-appealable or shall not be vacated, discharged or stayed or bonded pending appeal for any period of 30 consecutive days, and the aggregate amount of all such judgments equals or exceeds \$250,000,000 (or solely with respect to the Seller, \$15,775);

then, and in any such event, unless such event has been waived in accordance with this Agreement, the Administrative Agent may (or, at the direction of the Majority Group Agents shall) by notice to the Seller (x) declare the Termination Date to have occurred (in which case the Termination Date shall be deemed to have occurred), (y) declare the Seller Obligation Final Due Date to have occurred (in which case the Seller Obligation Final Due Date shall be deemed to have occurred) and (z) declare the Aggregate Capital and all other Seller Obligations to be immediately due and

payable (in which case the Aggregate Capital and all other Seller Obligations shall be immediately due and payable); *provided* that, automatically upon the occurrence of any event (without any requirement for the giving of notice) described in subsection (e) of this Section 10.01 with respect to the Seller, the Termination Date shall occur and the Aggregate Capital and all other Seller Obligations shall be immediately due and payable. Upon any such declaration or designation or upon such automatic termination, the Administrative Agent and the other Secured Parties shall have, in addition to the rights and remedies which they may have under this Agreement and the other Transaction Documents, all other rights and remedies provided after default under the UCC and under other Applicable Law, which rights and remedies shall be cumulative. Any proceeds from liquidation of the Sold Assets and Seller Collateral shall be applied in the order of priority set forth in Section 4.01.

ARTICLE XI

THE ADMINISTRATIVE AGENT

Section 11.01. Authorization and Action. Each Purchaser Party hereby appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto. The Administrative Agent shall not have any duties other than those expressly set forth in the Transaction Documents, and no implied obligations or liabilities shall be read into any Transaction Document, or otherwise exist, against the Administrative Agent. The Administrative Agent does not assume, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with, the Seller or any Affiliate thereof or any Purchaser Party except for any obligations expressly set forth herein. Notwithstanding any provision of this Agreement or any other Transaction Document, in no event shall the Administrative Agent ever be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to any provision of any Transaction Document or Applicable Law.

Section 11.02. Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as Administrative Agent under or in connection with this Agreement (including, without limitation, the Administrative Agent's servicing, administering or collecting Pool Receivables in the event it replaces the Servicer in such capacity pursuant to Section 9.01), in the absence of its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, the Administrative Agent: (a) may consult with legal counsel (including counsel for any Purchaser Party or the Servicer), independent certified public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Purchaser Party (whether written or oral) and shall not be responsible to any Purchaser Party for any statements, warranties or representations (whether written or oral) made by any other party in or in connection with this Agreement; (c) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of any Purchaser Party or to inspect the property (including the books and records) of any Purchaser Party;

(d) shall not be responsible to any Purchaser Party for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (e) shall be entitled to rely, and shall be fully protected in so relying, upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

Section 11.03. Administrative Agent and Affiliates. With respect to any Investment or interests therein owned by any Purchaser Party that is also the Administrative Agent, such Purchaser Party shall have the same rights and powers under this Agreement as any other Purchaser Party and may exercise the same as though it were not the Administrative Agent. The Administrative Agent and any of its Affiliates may generally engage in any kind of business with the Seller or any Affiliate thereof and any Person who may do business with or own securities of the Seller or any Affiliate thereof, all as if the Administrative Agent were not the Administrative Agent hereunder and without any duty to account therefor to any other Secured Party.

Section 11.04. Indemnification of Administrative Agent. Each Committed Purchaser agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Seller or any Affiliate thereof), ratably according to the respective Percentage of such Committed Purchaser, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any other Transaction Document or any action taken or omitted by the Administrative Agent under this Agreement or any other Transaction Document; *provided* that no Committed Purchaser shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct.

Section 11.05. Delegation of Duties. The Administrative Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 11.06. Action or Inaction by Administrative Agent. The Administrative Agent shall in all cases be fully justified in failing or refusing to take action under any Transaction Document unless it shall first receive such advice or concurrence of the Group Agents or the Majority Group Agents, as the case may be, and assurance of its indemnification by the Committed Purchasers, as it deems appropriate. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Transaction Document in accordance with a request or at the direction of the Group Agents or the Majority Group Agents, as the case may be, and such request or direction and any action taken or failure to act pursuant thereto shall be binding upon all Purchaser Parties. The Purchaser Parties and the Administrative Agent agree that unless any action to be taken by the Administrative Agent under a Transaction Document (i) specifically requires the advice or concurrence of all Group Agents or (ii) may be taken by the Administrative Agent alone or without any advice or concurrence of any Group Agent, then the

Administrative Agent may take action based upon the advice or concurrence of the Majority Group Agents.

Section 11.07. Notice of Events of Termination; Action by Administrative Agent. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Unmatured Event of Termination or Event of Termination unless the Administrative Agent has received notice from any Purchaser Party or the Seller stating that an Unmatured Event of Termination or Event of Termination has occurred hereunder and describing such Unmatured Event of Termination or Event of Termination. If the Administrative Agent receives such a notice, it shall promptly give notice thereof to each Group Agent, whereupon each Group Agent shall promptly give notice thereof to its respective Conduit Purchaser(s) and Related Committed Purchaser(s). The Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, concerning an Unmatured Event of Termination or Event of Termination or any other matter hereunder as the Administrative Agent deems advisable and in the best interests of the Secured Parties.

Section 11.08. Non-Reliance on Administrative Agent and Other Parties. Each Purchaser Party expressly acknowledges that neither the Administrative Agent nor any of its directors, officers, agents or employees has made any representations or warranties to it and that no act by the Administrative Agent hereafter taken, including any review of the affairs of the Seller or any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent. Each Purchaser Party represents and warrants to the Administrative Agent that, independently and without reliance upon the Administrative Agent or any other Purchaser Party and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller, each Originator, the Performance Guarantor or the Servicer and the Pool Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items expressly required to be delivered under any Transaction Document by the Administrative Agent to any Purchaser Party, the Administrative Agent shall not have any duty or responsibility to provide any Purchaser Party with any information concerning the Seller, any Originator, the Performance Guarantor or the Servicer that comes into the possession of the Administrative Agent or any of its directors, officers, agents, employees, attorneys-in-fact or Affiliates.

Section 11.09. Successor Administrative Agent. (a) The Administrative Agent may, upon at least thirty (30) days' notice to the Seller, the Servicer and each Group Agent, resign as Administrative Agent. Except as provided below, such resignation shall not become effective until a successor Administrative Agent is appointed by the Majority Group Agents as a successor Administrative Agent and has accepted such appointment. If no successor Administrative Agent shall have been so appointed by the Majority Group Agents, within thirty (30) days after the departing Administrative Agent's giving of notice of resignation, the departing Administrative Agent may, on behalf of the Secured Parties, appoint a successor Administrative Agent as successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Group Agents within sixty (60) days after the departing Administrative Agent's giving of notice of resignation, the departing Administrative Agent may, on behalf of the

Secured Parties, petition a court of competent jurisdiction to appoint a successor Administrative Agent.

(b) Upon such acceptance of its appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall succeed to and become vested with all the rights and duties of the resigning Administrative Agent, and the resigning Administrative Agent shall be discharged from its duties and obligations under the Transaction Documents. After any resigning Administrative Agent's resignation hereunder, the provisions of this Article XI and Article XIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent.

Section 11.10. Structuring Agent. Each of the parties hereto hereby acknowledges and agrees that the Structuring Agent shall not have any right, power, obligation, liability, responsibility or duty under this Agreement, other than the Structuring Agent's right to receive fees pursuant to Section 2.03. Each Purchaser Party acknowledges that it has not relied, and will not rely, on the Structuring Agent in deciding to enter into this Agreement and to take, or omit to take, any action under any Transaction Document.

Section 11.11. Erroneous Payments. (a) Each Purchaser hereby agrees that (i) if the Administrative Agent notifies such Purchaser that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any Erroneous Payment Notice) that any funds received by such Purchaser from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Purchaser (whether or not known to such Purchaser) (any such funds, whether received as a payment, prepayment or repayment of Capital, Yield, Fees or otherwise, individually and collectively, an "*Erroneous Payment*") and demands the return of such Erroneous Payment (or a portion thereof), such Purchaser shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Purchaser to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (ii) such Purchaser shall not assert any right or claim to the Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Purchaser under this Section 11.11(a) shall be conclusive, absent manifest error.

(b) Without limiting the immediately preceding Section 11.11(a), each Purchaser hereby further agrees that if it receives an Erroneous Payment from the Administrative Agent (or any of its Affiliates) (i) that is in an amount different than (other than a *de minimis* difference), or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Erroneous Payment (an "*Erroneous Payment Notice*"), or (ii) that was not preceded or accompanied by an Erroneous Payment Notice, it shall be on notice that,

in each such case, an error has been made with respect to such Erroneous Payment. Each Purchaser further agrees that, in each such case, or if it otherwise becomes aware an Erroneous Payment (or portion thereof) may have been sent in error, such Purchaser shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one (1) Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) that was received by such Purchaser to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) Each Purchaser hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Purchaser under any Transaction Document, or otherwise payable or distributable by the Administrative Agent to such Purchaser from any source, against any amount due to the Administrative Agent under the immediately preceding clause (b) or under the indemnification provisions of this Agreement.

(d) The parties hereto hereby agree that (i) in the event an Erroneous Payment (or portion thereof) is not recovered from any Purchaser that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Purchaser with respect to such amount and (ii) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Seller Obligations to the extent the amount of such Erroneous Payment is in excess of funds received by the Administrative Agent from the Seller or any of its Affiliates for the purpose of satisfying Seller Obligations.

(e) Each party's obligations, agreements and waivers under this Section 11.11 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Purchaser, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Seller Obligations (or any portion thereof) under any Transaction Document.

ARTICLE XII

THE GROUP AGENTS

Section 12.01. Authorization and Action. Each Purchaser Party that belongs to a Group hereby appoints and authorizes the Group Agent for such Group to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to such Group Agent by the terms hereof, together with such powers as are reasonably incidental thereto. No Group Agent shall have any duties other than those expressly set forth in the Transaction Documents, and no implied obligations or liabilities shall be read into any Transaction Document, or otherwise exist, against any Group Agent. No Group Agent assumes, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with the Seller or any Affiliate thereof, any Purchaser except for any obligations expressly set forth herein. Notwithstanding any provision of this Agreement or any other Transaction Document, in no event shall any Group Agent ever be

required to take any action which exposes such Group Agent to personal liability or which is contrary to any provision of any Transaction Document or Applicable Law.

Section 12.02. Group Agent's Reliance, Etc. No Group Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as a Group Agent under or in connection with this Agreement or any other Transaction Documents in the absence of its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, a Group Agent: (a) may consult with legal counsel (including counsel for the Administrative Agent, the Seller or the Servicer), independent certified public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Purchaser Party (whether written or oral) and shall not be responsible to any Purchaser Party for any statements, warranties or representations (whether written or oral) made by any other party in or in connection with this Agreement or any other Transaction Document; (c) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any other Transaction Document on the part of the Seller or any Affiliate thereof or any other Person or to inspect the property (including the books and records) of the Seller or any Affiliate thereof; (d) shall not be responsible to any Purchaser Party for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Transaction Documents or any other instrument or document furnished pursuant hereto; and (e) shall be entitled to rely, and shall be fully protected in so relying, upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

Section 12.03. Group Agent and Affiliates. With respect to any Investment or interests therein owned by any Purchaser Party that is also a Group Agent, such Purchaser Party shall have the same rights and powers under this Agreement as any other Purchaser and may exercise the same as though it were not a Group Agent. A Group Agent and any of its Affiliates may generally engage in any kind of business with the Seller or any Affiliate thereof and any Person who may do business with or own securities of the Seller or any Affiliate thereof or any of their respective Affiliates, all as if such Group Agent were not a Group Agent hereunder and without any duty to account therefor to any other Secured Party.

Section 12.04. Indemnification of Group Agents. Each Committed Purchaser in any Group agrees to indemnify the Group Agent for such Group (to the extent not reimbursed by the Seller or any Affiliate thereof), ratably according to the proportion of the Percentage of such Committed Purchaser to the aggregate Percentages of all Committed Purchasers in such Group, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against such Group Agent in any way relating to or arising out of this Agreement or any other Transaction Document or any action taken or omitted by such Group Agent under this Agreement or any other Transaction Document; *provided* that no Committed Purchaser shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Group Agent's gross negligence or willful misconduct.

Section 12.05. Delegation of Duties. Each Group Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Group Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 12.06. Notice of Events of Termination. No Group Agent shall be deemed to have knowledge or notice of the occurrence of any Unmatured Event of Termination or Event of Termination unless such Group Agent has received notice from the Administrative Agent, any other Group Agent, any other Purchaser Party, the Servicer or the Seller stating that an Unmatured Event of Termination or Event of Termination has occurred hereunder and describing such Unmatured Event of Termination or Event of Termination. If a Group Agent receives such a notice, it shall promptly give notice thereof to the Purchaser Parties in its Group and to the Administrative Agent (but only if such notice received by such Group Agent was not sent by the Administrative Agent). A Group Agent may take such action concerning an Unmatured Event of Termination or Event of Termination as may be directed by Committed Purchasers in its Group representing a majority of the Commitments in such Group (subject to the other provisions of this Article XII), but until such Group Agent receives such directions, such Group Agent may (but shall not be obligated to) take such action, or refrain from taking such action, as such Group Agent deems advisable and in the best interests of the Conduit Purchasers and Committed Purchasers in its Group.

Section 12.07. Non-Reliance on Group Agent and Other Parties. Each Purchaser Party expressly acknowledges that neither the Group Agent for its Group nor any of such Group Agent's directors, officers, agents or employees has made any representations or warranties to it and that no act by such Group Agent hereafter taken, including any review of the affairs of the Seller or any Affiliate thereof, shall be deemed to constitute any representation or warranty by such Group Agent. Each Purchaser Party represents and warrants to the Group Agent for its Group that, independently and without reliance upon such Group Agent, any other Group Agent, the Administrative Agent or any other Purchaser Party and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller or any Affiliate thereof and the Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items expressly required to be delivered under any Transaction Document by a Group Agent to any Purchaser Party in its Group, no Group Agent shall have any duty or responsibility to provide any Purchaser Party in its Group with any information concerning the Seller or any Affiliate thereof that comes into the possession of such Group Agent or any of its directors, officers, agents, employees, attorneys-in-fact or Affiliates.

Section 12.08. Successor Group Agent. Any Group Agent may, upon at least thirty (30) days' notice to the Administrative Agent, the Seller, the Servicer and the Purchaser Parties in its Group, resign as Group Agent for its Group. Such resignation shall not become effective until a successor Group Agent is appointed by the Purchaser(s) in such Group. Upon such acceptance of its appointment as Group Agent for such Group hereunder by a successor Group Agent, such successor Group Agent shall succeed to and become vested with all the rights and duties of the resigning Group Agent, and the resigning Group Agent shall be discharged from its duties and

obligations under the Transaction Documents. After any resigning Group Agent's resignation hereunder, the provisions of this Article XII and Article XIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was a Group Agent.

Section 12.09. Reliance on Group Agent. Unless otherwise advised in writing by a Group Agent or by any Purchaser Party in such Group Agent's Group, each party to this Agreement may assume that (i) such Group Agent is acting for the benefit and on behalf of each of the Purchaser Parties in its Group, as well as for the benefit of each assignee or other transferee from any such Person and (ii) each action taken by such Group Agent has been duly authorized and approved by all necessary action on the part of the Purchaser Parties in its Group.

ARTICLE XIII

INDEMNIFICATION

Section 13.01. Indemnities by the Seller. (a) Without limiting any other rights that the Administrative Agent, the Purchaser Parties, the Affected Persons and their respective assigns, officers, directors, agents and employees (each, a "*Seller Indemnified Party*") may have hereunder or under Applicable Law, the Seller hereby agrees to indemnify each Seller Indemnified Party from and against any and all claims, losses and liabilities (including reasonable Attorney Costs) (all of the foregoing being collectively referred to as "*Seller Indemnified Amounts*") arising out of or resulting from this Agreement or any other Transaction Document or the use of proceeds of the Investments or the security interest in respect of any Pool Receivable or any other Sold Assets or Seller Collateral; *excluding, however*, (a) Seller Indemnified Amounts to the extent a court of competent jurisdiction holds that such Seller Indemnified Amounts resulted from the bad faith, gross negligence or willful misconduct by the Seller Indemnified Party seeking indemnification, (b) Taxes (other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim), (c) Seller Indemnified Amounts to the extent the same includes losses in respect of Pool Receivables that are uncollectible solely on account of the insolvency, bankruptcy, lack of creditworthiness or other financial inability to pay of the related Obligor and (d) such Seller Indemnified Amounts result from a legal action in which the Servicer, the Seller or any of their Affiliates is the plaintiff and any Seller Indemnified Party is the defendant, unless such Seller Indemnified Party prevails in such legal action. Without limiting or being limited by the foregoing, the Seller shall pay on demand (it being understood that if any portion of such payment obligation is made from Collections, such payment will be made at the time and in the order of priority set forth in Section 4.01), to each Seller Indemnified Party any and all amounts necessary to indemnify such Seller Indemnified Party from and against any and all Seller Indemnified Amounts relating to or resulting from any of the following (but excluding Seller Indemnified Amounts and Taxes described in clauses (a) through (d) above):

(i) any Pool Receivable which the Seller or the Servicer includes as an Eligible Receivable as part of the Net Receivables Pool Balance but which is not an Eligible Receivable at such time;

(ii) any representation, warranty or statement made or deemed made by the Seller (or any of its respective officers) under or in connection with this Agreement, any of

the other Transaction Documents, any Information Package or any other information or report delivered by or on behalf of the Seller pursuant hereto which shall have been untrue or incorrect in any material respect when made or deemed made;

(iii) the failure by the Seller to materially comply with any Applicable Law with respect to any Pool Receivable or the related Contract; or the failure of any Pool Receivable or the related Contract to conform to any such Applicable Law;

(iv) the failure to vest in the Administrative Agent a first priority perfected ownership or security interest in all or any portion of the Sold Assets or Seller Collateral, in each case free and clear of any Adverse Claim (other than to the extent resulting from the affirmative action of the Administrative Agent) other than Permitted Liens;

(v) the failure to have filed, or any delay in filing, financing statements, financing statement amendments, continuation statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other Applicable Laws with respect to any Pool Receivable, any other Sold Assets or any Seller Collateral, whether at the time of any Investment or at any subsequent time;

(vi) any dispute, claim or defense (other than discharge in bankruptcy) of an Obligor to the payment of any Pool Receivable (including, without limitation, a defense based on such Pool Receivable or the related Contract not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms), or any other claim resulting from or relating to collection activities with respect to such Pool Receivable;

(vii) any failure of the Seller to perform any of its duties or obligations in accordance with the provisions hereof and of each other Transaction Document related to Pool Receivables or to timely and fully comply with the Credit and Collection Policy in regard to each Pool Receivable;

(viii) the commingling of Collections of Pool Receivables at any time with other funds;

(ix) any investigation, litigation or proceeding (actual or threatened) related to this Agreement or any other Transaction Document or the use of proceeds of any Investments or in respect of any Pool Receivable, any other Sold Assets or any Seller Collateral or any related Contract;

(x) any failure of the Seller to comply with its covenants, obligations and agreements contained in this Agreement or any other Transaction Document;

(xi) any setoff with respect to any Pool Receivable;

(xii) any claim brought by any Person other than a Seller Indemnified Party arising from any activity by the Seller or any Affiliate of the Seller in servicing, administering or collecting any Pool Receivable;

(xiii) the failure by the Seller to pay when due any material taxes, including, without limitation, material sales, excise or personal property taxes;

(xiv) any failure of a Collection Account Bank to comply with the terms of the applicable Account Control Agreement, the termination by a Collection Account Bank of any Account Control Agreement or any amounts (including in respect of any indemnity) payable by the Administrative Agent to a Collection Account Bank under any Account Control Agreement;

(xv) any claim resulting from the sale of goods or the rendering of services related to such Pool Receivable or the furnishing or failure to furnish any such goods or services or other similar claim or defense not arising from the financial inability of any Obligor to pay undisputed indebtedness;

(xvi) any action taken by the Administrative Agent as attorney-in-fact for the Seller, any Originator or the Servicer pursuant to this Agreement or any other Transaction Document using the same degree of skill and attention that the Administrative Agent exercises when acting for its own account;

(xvii) the failure or delay to provide any Obligor with an invoice or other evidence of indebtedness;

(xviii) the use of proceeds of any Investment;

(xix) any reduction in Capital as a result of the distribution of Collections if all or a portion of such distributions shall thereafter be rescinded or otherwise must be returned for any reason

(xx) any failure by the Seller to pay any premium or other amount when due under the terms of a Credit Insurance Policy, to keep a Credit Insurance Policy relating to any Pool Receivable then being reported in an Information Package (or being included in the Net Receivables Pool Balance) as an Insured Receivable in force or to make or perfect any claim for reimbursement under a Credit Insurance Policy; or

(xxi) any insurance premium payments paid by the Administrative Agent on a Credit Insurance Policy in accordance with this Agreement.

(b) [Reserved].

(c) If for any reason the foregoing indemnification is unavailable to any Seller Indemnified Party or insufficient to hold it harmless, then the Seller shall contribute to such Seller Indemnified Party the amount paid or payable by such Seller Indemnified Party as a result of such

loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Seller and its Affiliates on the one hand and such Seller Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Seller and its Affiliates and such Seller Indemnified Party with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Seller under this Section shall be in addition to any liability which the Seller may otherwise have, shall extend upon the same terms and conditions to each Seller Indemnified Party, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Seller and the Seller Indemnified Parties.

(d) Any indemnification or contribution under this Section shall survive the termination of this Agreement.

Section 13.02. Indemnification by the Servicer. (a) The Servicer hereby agrees to indemnify and hold harmless the Seller, the Administrative Agent, the Purchaser Parties, the Affected Persons and their respective assigns, officers, directors, agents and employees (each, a "*Servicer Indemnified Party*"), from and against any loss, liability, expense, damage or injury suffered or sustained, including any judgment, award, settlement, reasonable Attorney Costs and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim (all of the foregoing being collectively referred to as, "*Servicer Indemnified Amounts*"), arising out of:

(i) any Pool Receivable which the Servicer includes as an Eligible Receivable as part of the Net Receivables Pool Balance but which is not an Eligible Receivable at such time;

(ii) any representation, warranty or statement made or deemed made by the Servicer (or any of its respective officers) under or in connection with this Agreement, any of the other Transaction Documents, any Information Package or any other information or report delivered by or on behalf of the Servicer pursuant hereto which shall have been untrue or incorrect in any material respect when made or deemed made;

(iii) the failure by the Servicer to materially comply with any Applicable Law with respect to any Pool Receivable or the related Contract; or the failure of any Pool Receivable or the related Contract to conform to any such Applicable Law;

(iv) the commingling of Collections of Pool Receivables at any time with other funds;

(v) the failure or delay to provide any Obligor with an invoice or other evidence of indebtedness; or

(vi) any failure of the Servicer to comply with its covenants, obligations and agreements contained in this Agreement or any other Transaction Document;

excluding Servicer Indemnified Amounts (i) to the extent a court of competent jurisdiction holds that such Servicer Indemnified Amounts resulted from the bad faith, gross negligence or willful misconduct by the Servicer Indemnified Party seeking indemnification, (ii) Taxes (other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim), (iii) Servicer Indemnified Amounts to the extent the same includes losses in respect of Pool Receivables that are uncollectible solely on account of the insolvency, bankruptcy, lack of creditworthiness or other financial inability to pay of the related Obligor and (iv) such Servicer Indemnified Amounts result from a legal action in which the Servicer, the Seller or any of their Affiliates is the plaintiff and any Servicer Indemnified Party is the defendant, unless such Servicer Indemnified Party prevails in such legal action.

(b) If for any reason the foregoing indemnification is unavailable to any Servicer Indemnified Party or insufficient to hold it harmless, then the Servicer shall contribute to the amount paid or payable by such Servicer Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Servicer and its Affiliates on the one hand and such Servicer Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Servicer and its Affiliates and such Servicer Indemnified Party with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Servicer under this Section shall be in addition to any liability which the Servicer may otherwise have, shall extend upon the same terms and conditions to Servicer Indemnified Party, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Servicer and the Servicer Indemnified Parties.

(c) Any indemnification or contribution under this Section shall survive the termination of this Agreement.

ARTICLE XIV

MISCELLANEOUS

Section 14.01. Amendments, Etc. (a) No failure on the part of any Purchaser Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. No amendment or waiver of any provision of this Agreement or consent to any departure by any of the Seller or any Affiliate thereof shall be effective unless in a writing signed by the Administrative Agent and the Majority Group Agents (and, in the case of any amendment, also signed by the Seller), and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided, however*, that (A) no amendment, waiver or consent shall, unless in writing and signed by the Servicer, affect the rights or duties of the Servicer under this Agreement; (B) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and each Group Agent:

(i) change (directly or indirectly) the definitions of, Capital Coverage Deficit, Eligible Receivable, Facility Limit, Seller Obligation Final Due Date or Net Receivables

Pool Balance contained in this Agreement, or change the calculation of the Capital Coverage Amount;

(ii) reduce the amount of Capital or Yield that is payable hereunder or delay any scheduled date for payment thereof;

(iii) change any Event of Termination;

(iv) release all or a material portion of the Sold Assets or Seller Collateral from the Administrative Agent's security interest created hereunder; *provided* that, for the avoidance of doubt, the release of any Sold Assets or Seller Collateral in accordance with the terms of the Purchase and Sale Agreement or this Agreement without the consent of the Group Agents or the Administrative Agent shall not be deemed to be a release of a material portion of Sold Assets or Seller Collateral;

(v) release the Performance Guarantor from any of its obligations under the Performance Guaranty or terminate the Performance Guaranty;

(vi) change any of the provisions of this Section 14.01 or the definition of "Majority Group Agents", or change any requirement for consent of (or designation by) each Group Agent, all Group Agents or any affected Group Agent (as the case may be) in any provision of Section 5.01(g), 14.03(h) or 14.06 or the definition of "Eligible Foreign Currency VaR Percentage"; or

(vii) change the order of priority in which Collections are applied pursuant to Section 4.01 or change any other provision requiring ratable repayments or prepayments in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Purchaser directly affected thereby.

Notwithstanding the foregoing, (A) no amendment, waiver or consent shall increase any Committed Purchaser's Commitment hereunder without the consent of such Committed Purchaser, (B) no amendment, waiver or consent shall reduce any Fees payable by the Seller to any member of any Group or delay the dates on which any such Fees are payable, in either case, without the consent of the Group Agent for such Group and (C) no consent with respect to any amendment, waiver or other modification of this Agreement or any other Transaction Document shall be required of any Defaulting Purchaser, except that (x) the Commitment of any Defaulting Purchaser may not be increased or extended without the consent of such Defaulting Purchaser and (y) any amendment, waiver or other modification referred to in clauses (i) through (vii) above that by its terms affects any Defaulting Purchaser disproportionately adversely relative to other affected Purchasers shall require the consent of such Defaulting Purchaser.

Section 14.02. Notices, Etc.

(a) *Generally.* All notices and other communications hereunder shall, unless otherwise stated herein, be in writing (which shall include email and facsimile communication) and emailed, faxed or delivered, to each party hereto, at its address set forth under its name on Schedule III

hereto or at such other address as shall be designated by such party in a written notice to the other parties hereto. Notices and communications by facsimile shall be effective when sent (and shall be followed by hard copy sent by regular mail), and notices and communications sent by other means shall be effective when received; *provided* that any notice or communication sent after the recipient's normal business hours will be effective upon the opening of the recipient's next Business Day.

(b) *Platform.*

(i) Each of the Seller and the Servicer agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the credit parties by posting the Communications on the Platform.

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Agent or any of its Related Parties (collectively, the "*Agent Parties*") have any liability to any Seller-Related Party, any credit party or any other Person for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Seller-Related Party's or the Administrative Agent's transmission of communications through the Platform. "*Communications*" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Seller-Related Party pursuant to any Transaction Document or the transactions contemplated therein which is distributed to the Administrative Agent or any other credit party by means of electronic communications pursuant to this Section, including through the Platform.

Section 14.03. Assignability; Addition of Purchasers.

(a) *Assignment by Conduit Purchasers.* This Agreement and the rights of each Conduit Purchaser hereunder (including its right to receive payments of Capital and Yield) shall be assignable by such Conduit Purchaser and its successors and permitted assigns (i) to any Program Support Provider of such Conduit Purchaser or any other Conduit Purchaser within such Conduit Purchaser's Group without prior notice to or consent from the Seller or any other party, or any other condition or restriction of any kind, (ii) to any other Purchaser with prior notice to the Seller but without consent from the Seller or (iii) with the prior written consent of the Seller (such consent not to be unreasonably withheld, conditioned or delayed; *provided, however*, that such consent shall not be required if an Event of Termination or Unmatured Event of Termination has occurred and is continuing), to any other Eligible Assignee. Each assignor of Capital (or any portion thereof) or any interest therein may, in connection with the assignment or participation, disclose to the assignee or Participant any information relating to the Seller and its Affiliates, including the Receivables, furnished to such assignor by or on behalf of the Seller and its Affiliates or by the

Administrative Agent; *provided* that, prior to any such disclosure, the assignee or Participant agrees to preserve the confidentiality of any confidential information relating to the Seller and its Affiliates received by it from any of the foregoing entities in a manner consistent with Section 14.06(b).

(b) *Assignment by Committed Purchasers.* Each Committed Purchaser may assign to any Eligible Assignee all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and any Capital or interests therein owned by it); *provided, however* that

(i) except for an assignment by a Committed Purchaser to either an Affiliate of such Committed Purchaser or any other Committed Purchaser, each such assignment shall require the prior written consent of the Seller (such consent not to be unreasonably withheld, conditioned or delayed; *provided, however*, that such consent shall not be required if an Event of Termination or an Unmatured Event of Termination has occurred and is continuing;

(ii) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations under this Agreement;

(iii) the amount being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance Agreement with respect to such assignment) shall in no event be less than the lesser of (x) \$5,000,000 and (y) all of the assigning Committed Purchaser's Commitment; and

(iv) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance Agreement.

Upon such execution, delivery, acceptance and recording from and after the effective date specified in such Assignment and Acceptance Agreement, (x) the assignee thereunder shall be a party to this Agreement, and to the extent that rights and obligations under this Agreement have been assigned to it pursuant to such Assignment and Acceptance Agreement, have the rights and obligations of a Committed Purchaser hereunder and (y) the assigning Committed Purchaser shall, to the extent that rights and obligations have been assigned by it pursuant to such Assignment and Acceptance Agreement, relinquish such rights and be released from such obligations under this Agreement (and, in the case of an Assignment and Acceptance Agreement covering all or the remaining portion of an assigning Committed Purchaser's rights and obligations under this Agreement, such Committed Purchaser shall cease to be a party hereto).

(c) *Register.* The Administrative Agent shall, acting solely for this purpose as an agent of the Seller, maintain at its address referred to on Schedule III of this Agreement (or such other address of the Administrative Agent notified by the Administrative Agent to the other parties hereto) a copy of each Assignment and Acceptance Agreement delivered to and accepted by it and a register for the recordation of the names and addresses of the Committed Purchasers and the Conduit Purchasers, the Commitment of each Committed Purchaser and the aggregate outstanding

Capital (and stated Yield) of each Conduit Purchaser and Committed Purchaser from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Seller, the Servicer, the Administrative Agent, the Group Agents, and the other Purchaser Parties may treat each Person whose name is recorded in the Register as a Committed Purchaser or Conduit Purchaser, as the case may be, under this Agreement for all purposes of this Agreement. The Register shall be available for inspection by the Seller, the Servicer, any Group Agent, any Conduit Purchaser or any Committed Purchaser at any reasonable time and from time to time upon reasonable prior notice.

(d) *Procedure.* Upon its receipt of an Assignment and Acceptance Agreement executed and delivered by an assigning Committed Purchaser and an Eligible Assignee or assignee Committed Purchaser, the Administrative Agent shall, if such Assignment and Acceptance Agreement has been duly completed, (i) accept such Assignment and Acceptance Agreement, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Seller and the Servicer.

(e) *Participations.* Each Committed Purchaser may sell participations to one or more Eligible Assignees (each, a "*Participant*") in or to all or a portion of its rights and/or obligations under this Agreement (including, without limitation, all or a portion of its Commitment and its Capital and Yield thereon); *provided, however*, that

(i) such Committed Purchaser's obligations under this Agreement (including, without limitation, its Commitment to the Seller hereunder) shall remain unchanged, and

(ii) such Committed Purchaser shall remain solely responsible to the other parties to this Agreement for the performance of such obligations.

The Administrative Agent, the Group Agents, the Conduit Purchasers, the other Committed Purchasers, the Seller and the Servicer shall have the right to continue to deal solely and directly with such Committed Purchaser in connection with such Committed Purchaser's rights and obligations under this Agreement. The Seller agrees that each Participant shall be entitled to the benefits of Sections 5.01 and 5.03 (subject to the requirements and limitations therein, including the requirements under Section 5.03(f) (it being understood that the documentation required under Section 5.03(f) shall be delivered to the participating Purchaser)) to the same extent as if it were a Purchaser and had acquired its interest by assignment pursuant to clause (b) of this Section; *provided* that such Participant shall not be entitled to receive any greater payment under Section 5.01 or 5.03, with respect to any participation, than its participating Purchaser would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(f) *Participant Register.* Each Committed Purchaser that sells a participation shall, acting solely for this purpose as an agent of the Seller, maintain a register on which it enters the name and address of each Participant and the Capital (and stated Yield) participated to each Participant, together with each Participant's interest in the other obligations under this Agreement (the "*Participant Register*"); *provided* that no Committed Purchaser shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or

any information relating to a Participant's interest in any Commitments, Capital, Yield or its other obligations under any this Agreement) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Capital, Yield or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Committed Purchaser shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(g) *Assignments by Agents.* This Agreement and the rights and obligations of the Administrative Agent and each Group Agent herein shall be assignable by the Administrative Agent or such Group Agent, as the case may be, and its successors and assigns; *provided* that in the case of an assignment to a Person that is not an Affiliate of the Administrative Agent or such Group Agent, so long as no Event of Termination or Unmatured Event of Termination has occurred and is continuing, such assignment shall require the Seller's consent (not to be unreasonably withheld, conditioned or delayed).

(h) *Assignments by the Seller or the Servicer.* Neither the Seller nor, except as provided in Section 9.01, the Servicer may assign any of its respective rights or obligations hereunder or any interest herein without the prior written consent of the Administrative Agent and each Group Agent (such consent to be provided or withheld in the sole discretion of such Person).

(i) *Addition of Purchasers or Groups.* The Seller may, with written notice to the Administrative Agent and each Group Agent, add additional Persons as Purchasers (by creating a new Group) or cause an existing Purchaser to increase its Commitment; *provided, however*, that the Commitment of any existing Purchaser may only be increased with the prior written consent of such Purchaser. Each new Purchaser (or Group) shall become a party hereto, by executing and delivering to the Administrative Agent and the Seller, an assumption agreement (each, an "Assumption Agreement") in the form of Exhibit D hereto (which Assumption Agreement shall, in the case of any new Purchaser, be executed by each Person in such new Purchaser's Group).

(j) *Pledge to a Federal Reserve Bank.* Notwithstanding anything to the contrary set forth herein, (i) any Purchaser, Program Support Provider or any of their respective Affiliates may at any time pledge or grant a security interest in all or any portion of its interest in, to and under this Agreement (including, without limitation, rights to payment of Capital and Yield) and any other Transaction Document to secure its obligations to a Federal Reserve Bank or The Bank of Canada, without notice to or the consent of the Seller, the Servicer, any Affiliate thereof or any Purchaser Party; *provided, however*, that that no such pledge shall relieve such assignor of its obligations under this Agreement.

(k) *Pledge to a Security Trustee.* Notwithstanding anything to the contrary set forth herein, any Conduit Purchaser may at any time pledge or grant a security interest in all or any portion of its interest in, to and under this Agreement (including, without limitation, rights to payment of Capital and Yield) and any other Transaction Document to a collateral trustee (or Person acting in a similar capacity) as collateral security in connection with such Conduit

Purchaser's asset-backed commercial paper note program, without notice to or the consent of the Seller, the Servicer, any Affiliate thereof or any Purchaser Party; *provided, however*, that that no such pledge shall relieve such assignor of its obligations under this Agreement.

(l) Notwithstanding anything to the contrary herein, no sale, pledge, assignment or other transfer contemplated in this Section 14.03 may be made by any Purchaser to any entity that is a variable interest entity as defined in FASB Accounting Standards Codification Topic 810 unless (i) such entity's source of funding for its Investments hereunder does not and will not be repayable or redeemable solely from 90% or more of such entity's interest in the Pool Receivables and (ii) such entity's outstanding Capital does not and will not exceed 50% of the fair value of such entity's total assets.

Section 14.04. Costs and Expenses. In addition to the rights of indemnification granted under Section 13.01 hereof, the Seller agrees to pay on demand all reasonable and documented out-of-pocket costs and expenses in connection with the preparation, negotiation, execution, delivery and administration of this Agreement and the other Transaction Documents (together with all amendments, restatements, supplements, consents and waivers, if any, from time to time hereto and thereto), including, without limitation, (i) the reasonable Attorney Costs for the Administrative Agent and the other Purchaser Parties and any of their respective Affiliates with respect thereto and with respect to advising the Administrative Agent and the other Purchaser Parties and their respective Affiliates as to their rights and remedies under this Agreement and the other Transaction Documents (in each case, limited to a single counsel for all Purchaser Parties and their respective Affiliates) and (ii) subject to Section 8.01(g), reasonable and documented accountants', auditors' and consultants' fees and expenses for the Administrative Agent and the other Purchaser Parties and any of their respective Affiliates (in each case, limited to a single accountant, auditor or consultant for all Purchaser Parties and their respective Affiliates) incurred in connection with the administration and maintenance of this Agreement or advising the Administrative Agent or any other Purchaser Party as to their rights and remedies under this Agreement or as to any actual or reasonably claimed breach of this Agreement or any other Transaction Document. In addition, the Seller agrees to pay on demand all reasonable and documented out-of-pocket costs and expenses (including reasonable Attorney Costs (in each case, limited to a single counsel for all Purchaser Parties and their respective Affiliates)), of the Administrative Agent and the other Purchaser Parties and their respective Affiliates, incurred in connection with the enforcement of any of their respective rights or remedies under the provisions of this Agreement and the other Transaction Documents.

Section 14.05. No Proceedings; Limitation on Payments. (a) Each of the Seller, the Administrative Agent, the Servicer, each Group Agent, each Purchaser and each assignee of Capital or any Yield thereof or of any other Seller Obligations agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser any Insolvency Proceeding so long as any Notes or other senior indebtedness issued by such Conduit Purchaser shall be outstanding or there shall not have elapsed one year plus one day since the last day on which any such Notes or other senior indebtedness shall have been outstanding.

(b) Each of the Servicer, each Group Agent, each Purchaser and each assignee of Capital or any Yield thereof or of any other Seller Obligations, hereby covenants and agrees that it will

not institute against, or join any other Person in instituting against, the Seller any Insolvency Proceeding until one year and one day after the Final Payout Date; *provided*, that the Administrative Agent may take any such action in its sole discretion following the occurrence of an Event of Termination. Notwithstanding the foregoing and without limiting any of the rights of the Administrative Agent and the Purchasers set forth in Article X (including, without limitation, the rights of foreclosure and liquidation of the Sold Assets and Seller Collateral and all proceeds thereof, the right to declare the Termination Date and the right to declare the Seller Obligation Final Due Date to have occurred), if any amounts due on the Seller Obligation Final Due Date or on the date on which the Administrative Agent declares the Aggregate Capital and all other Seller Obligations to be immediately due and payable pursuant to Section 10.01 cannot be fully satisfied from funds from the Sold Assets and Seller Collateral, such deficiency shall not constitute a claim (as defined in Section 101 of the Bankruptcy Code) against the Seller.

(c) Notwithstanding any provisions contained in this Agreement to the contrary, a Conduit Purchaser shall not, and shall be under no obligation to, pay any amount, if any, payable by it pursuant to this Agreement or any other Transaction Document unless (i) such Conduit Purchaser has received funds which may be used to make such payment and which funds are not required to repay such Conduit Purchaser's Notes when due and (ii) after giving effect to such payment, either (x) such Conduit Purchaser could issue Notes to refinance all of its outstanding Notes (assuming such outstanding Notes matured at such time) in accordance with the program documents governing such Conduit Purchaser's securitization program or (y) all of such Conduit Purchaser's Notes are paid in full. Any amount which any Conduit Purchaser does not pay pursuant to the operation of the preceding sentence shall not constitute a claim (as defined in Section 101 of the Bankruptcy Code) against or company obligation of such Conduit Purchaser for any such insufficiency unless and until such Conduit Purchaser satisfies the provisions of clauses (i) and (ii) above. The provisions of this Section 14.05 shall survive any termination of this Agreement.

Section 14.06. Confidentiality. (a) Each of the Seller and the Servicer, severally and with respect to itself only, covenants and agrees to hold in confidence, and not disclose to any Person, the terms of this Agreement or the Fee Letter (including any fees payable in connection with this Agreement, the Fee Letter or any other Transaction Document or the identity of the Administrative Agent or any other Purchaser Party), except as the Administrative Agent and each Group Agent may have consented to in writing prior to any proposed disclosure; *provided, however*, that it may disclose such information (i) to its Advisors and Representatives, (ii) to the extent such information has become available to the public other than as a result of a disclosure by or through the Seller, the Servicer or their Advisors and Representatives or (iii) to the extent it should be (A) required by Applicable Law, or in connection with any legal or regulatory proceeding or (B) requested by any Governmental Authority to disclose such information; *provided*, that, in the case of clause (iii) above, the Seller and the Servicer will use reasonable efforts to maintain confidentiality and will (unless otherwise prohibited by Applicable Law) notify the Administrative Agent and the affected Purchaser Party of making any such disclosure as promptly as reasonably practicable thereafter; *provided, further*, the Parent or any of its Affiliates may file copies of the Transaction Documents with the SEC to the extent that such Person is required by Applicable Law to do so. Each of the Seller and the Servicer agrees to be responsible for any breach of this Section by its Representatives and Advisors and agrees that its Representatives and Advisors will be

advised by it of the confidential nature of such information and shall agree to comply with this Section. Notwithstanding the foregoing, it is expressly agreed that each of the Seller, the Servicer and their respective Affiliates may publish a press release or otherwise publicly announce the existence and principal amount of the Commitments under this Agreement and the transactions contemplated hereby; *provided* that the Administrative Agent shall be provided a reasonable opportunity to review such press release or other public announcement prior to its release and provide comment thereon; and *provided, further*, that no such press release shall name or otherwise identify the Administrative Agent, any other Purchaser Party or any of their respective Affiliates without such Person's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed).

(b) Each of the Administrative Agent and each other Purchaser Party, severally and with respect to itself only, agrees to hold in confidence, and not disclose to any Person, any confidential and proprietary information concerning the Seller, the Servicer and their respective Affiliates and their businesses or the terms of this Agreement (including any fees payable in connection with this Agreement or the other Transaction Documents), except as the Seller or the Servicer may have consented to in writing prior to any proposed disclosure; *provided, however*, that it may disclose such information (i) to its Advisors and Representatives and to any related Program Support Provider, (ii) to its assignees and Participants and potential assignees and Participants and their respective counsel if they agree in writing to hold it confidential, (iii) to the extent such information has become available to the public other than as a result of a disclosure by or through it or its Representatives or Advisors or any related Program Support Provider, (iv) to any nationally recognized statistical rating organization in connection with obtaining or maintaining the rating of any Conduit Purchaser's Notes or as contemplated by 17 CFR 240.17g-5(a)(3), (v) at the request of a bank examiner or other regulatory authority (including any self-regulatory authority such as the National Association of Insurance Commissioners) or in connection with an examination of any of the Administrative Agent, any Group Agent or any Purchaser or their respective Affiliates or Program Support Providers or (vi) to the extent it should be (A) required by Applicable Law, or in connection with any legal or regulatory proceeding or (B) requested by any Governmental Authority to disclose such information; *provided*, that, in the case of clauses (v) and (vi) above, the Administrative Agent, each Group Agent and each Purchaser will use reasonable efforts to maintain confidentiality and will (unless otherwise prohibited by Applicable Law) notify the Seller and the Servicer of its making any such disclosure as promptly as reasonably practicable thereafter. Each of the Administrative Agent, each Group Agent and each Purchaser, severally and with respect to itself only, agrees to be responsible for any breach of this Section by its Representatives, Advisors and Program Support Providers and agrees that its Representatives, Advisors and Program Support Providers will be advised by it of the confidential nature of such information and shall agree to comply with this Section.

(c) As used in this Section, (i) "*Advisors*" means, with respect to any Person, such Person's accountants, attorneys and other confidential advisors and (ii) "*Representatives*" means, with respect to any Person, such Person's Affiliates, Subsidiaries, directors, managers, officers, employees, members, investors, financing sources, insurers, professional advisors, representatives and agents; *provided* that such Persons shall not be deemed to Representatives of a Person unless (and solely to the extent that) confidential information is furnished to such Person.

(d) Notwithstanding the foregoing, to the extent not inconsistent with applicable securities laws, each party hereto (and each of its employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure (as defined in Section 1.6011-4 of the Treasury Regulations) of the transactions contemplated by the Transaction Documents and all materials of any kind (including opinions or other tax analyses) that are provided to such Person relating to such tax treatment and tax structure.

Section 14.07. GOVERNING LAW. THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF, EXCEPT TO THE EXTENT THAT THE PERFECTION, THE EFFECT OF PERFECTION OR PRIORITY OF THE INTERESTS OF ADMINISTRATIVE AGENT OR ANY PURCHASER IN THE SOLD ASSETS OR SELLER COLLATERAL IS GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK).

Section 14.08. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart hereof by facsimile or other electronic means shall be equally effective as delivery of an originally executed counterpart.

Section 14.09. Integration; Binding Effect; Survival of Termination. This Agreement and the other Transaction Documents contain the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof superseding all prior oral or written understandings. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement shall create and constitute the continuing obligations of the parties hereto in accordance with its terms and shall remain in full force and effect until the Final Payout Date; *provided, however,* that the provisions of Sections 3.08, 3.09, 3.10, 5.01, 5.02, 5.03, 11.04, 11.06, 12.04, 13.01, 13.02, 14.04, 14.05, 14.06, 14.09, 14.11 and 14.13 shall survive any termination of this Agreement.

Section 14.10. CONSENT TO JURISDICTION. (a) EACH PARTY HERETO HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN NEW YORK CITY, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT, AND EACH PARTY HERETO HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED, IN EACH CASE, IN SUCH NEW YORK STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. NOTHING IN THIS SECTION 14.10 SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY OTHER PURCHASER PARTY TO BRING ANY ACTION OR PROCEEDING AGAINST THE SELLER OR THE SERVICER OR ANY OF THEIR RESPECTIVE PROPERTY IN THE COURTS OF OTHER JURISDICTIONS. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. THE PARTIES HERETO AGREE 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.

(b) EACH PARTY HERETO CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO IT AT ITS ADDRESS SPECIFIED IN SECTION 14.02. NOTHING IN THIS SECTION 14.10 SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY OTHER PURCHASER PARTY TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 14.11. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT.

Section 14.12. Ratable Payments. If any Purchaser Party, whether by setoff or otherwise, has payment made to it with respect to any Seller Obligations in a greater proportion than that received by any other Purchaser Party entitled to receive a ratable share of such Seller Obligations, such Purchaser Party agrees, promptly upon demand, to purchase for cash without recourse or warranty a portion of such Seller Obligations held by the other Purchaser Parties so that after such purchase each Purchaser Party will hold its ratable proportion of such Seller Obligations; *provided* that if all or any portion of such excess amount is thereafter recovered from such Purchaser Party, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

Section 14.13. Limitation of Liability. (a) No claim may be made by the Seller or any Affiliate thereof or any other Person against any Purchaser Party or their respective Affiliates, members, directors, officers, employees, incorporators, attorneys or agents for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement or any other Transaction Document, or any act, omission or event occurring in connection herewith or therewith; and each of the Seller and the Servicer hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor. None of the Purchaser Parties and their respective Affiliates shall have any liability to the Seller or any Affiliate thereof or any other Person asserting claims on behalf of or in right of the Seller or any Affiliate thereof in connection with or as a result of this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby, except to the extent that any losses, claims, damages, liabilities or expenses incurred by the Seller or any Affiliate thereof result from the breach of contract, gross negligence or willful misconduct of such Purchaser Party in performing its duties and obligations hereunder and under the other Transaction Documents to which it is a party.

(b) The obligations of the Administrative Agent and each of the other Purchaser Parties under this Agreement and each of the Transaction Documents are solely the corporate obligations of such Person. No recourse shall be had for any obligation or claim arising out of or based upon

this Agreement or any other Transaction Document against any member, director, officer, employee or incorporator of any such Person.

Section 14.14. Intent of the Parties. The Seller has structured this Agreement with the intention that the obligations of the Seller hereunder (including the obligation to return Capital to the Purchasers and make payments of Yield thereon) will be treated under United States federal, and applicable state, local and foreign tax law as debt (the “*Intended Tax Treatment*”). The Seller, the Servicer, the Administrative Agent and the other Purchaser Parties agree to file no tax return, or take any action, inconsistent with the Intended Tax Treatment unless required by law. Each assignee and each Participant acquiring an interest in an Investment, by its acceptance of such assignment or participation, agrees to comply with the immediately preceding sentence.

Section 14.15. USA Patriot Act. Each of the Administrative Agent and each of the other Purchaser Parties hereby notifies the Seller and the Servicer that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the “*PATRIOT Act*”), the Administrative Agent and the other Purchaser Parties may be required to obtain, verify and record information that identifies the Seller, the Originators, the Servicer and the Performance Guarantor, which information includes the name, address, tax identification number and other information regarding the Seller, the Originators, the Servicer and the Performance Guarantor that will allow the Administrative Agent and the other Purchaser Parties to identify the Seller, the Originators, the Servicer and the Performance Guarantor in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act. Each of the Seller and the Servicer agrees to promptly provide the Administrative Agent and each of the other Purchaser Parties, from time to time, with all documentation and other information required by bank regulatory authorities under “know your customer” and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act.

Section 14.16. Reserved.

Section 14.17. Severability. Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 14.18. Mutual Negotiations. This Agreement and the other Transaction Documents are the product of mutual negotiations by the parties thereto and their counsel, and no party shall be deemed the draftsperson of this Agreement or any other Transaction Document or any provision hereof or thereof or to have provided the same. Accordingly, in the event of any inconsistency or ambiguity of any provision of this Agreement or any other Transaction Document, such inconsistency or ambiguity shall not be interpreted against any party because of such party’s involvement in the drafting thereof.

Section 14.19. Captions and Cross References. The various captions (including the table of contents) in this Agreement are provided solely for convenience of reference and shall not affect the meaning or interpretation of any provision of this Agreement. Unless otherwise indicated,

references in this Agreement to any Section, Schedule or Exhibit are to such Section Schedule or Exhibit to this Agreement, as the case may be, and references in any Section, subsection, or clause to any subsection, clause or subclause are to such subsection, clause or subclause of such Section, subsection or clause.

Section 14.20. Purchaser Representation. Each Purchaser hereby represents, warrants and agrees that either (A) such Purchaser is not a variable interest entity as defined in FASB Accounting Standards Codification Topic 810 or (B) (i) such Purchaser's source of funding for its Investments hereunder does not and will not be repayable or redeemable solely from 90% or more of such Purchaser's interest in the Receivables and (ii) such Purchaser's outstanding Capital does not and will not exceed 50% of the fair value of such Purchaser's total assets. Each Pool Purchaser shall promptly notify the Seller and the Servicer if it becomes aware that any of the statements in the foregoing sentence are not correct.

Section 14.21. Amendment and Restatement. This Agreement shall become effective on the Restatement Effective Date and shall supersede all provisions of the Existing Receivables Purchase Agreement as of such date and the Existing Receivables Purchase Agreement shall thereafter be of no further force and effect, except to evidence (i) the incurrence by each of the Seller and the Servicer of the obligations under the Existing Receivables Purchase Agreement (whether or not such obligations are contingent as of the Restatement Effective Date), (ii) the representations and warranties made by each of the Seller and the Servicer prior to the Restatement Effective Date and (iii) any action or omission performed or required to be performed pursuant to such Existing Receivables Purchase Agreement prior to the Restatement Effective Date. From and after the Restatement Effective Date all references made to the Existing Receivables Purchase Agreement in any Transaction Document or in any other instrument or document shall, without further action, be deemed to refer to this Agreement. This Agreement amends and restates the Existing Receivables Purchase Agreement and is not intended to be or operate as a novation or an accord and satisfaction of the Existing Receivables Purchase Agreement or the obligations and liabilities of Seller evidenced or provided for thereunder. Without limiting the generality of the foregoing, the Seller agrees that notwithstanding the execution and delivery of this Agreement, the security interest, lien, collateral security or supporting obligations previously granted to the Administrative Agent in its individual capacity pursuant to the Transaction Documents shall be and remain in full force and effect and that any rights and remedies of the Administrative Agent in its individual capacity thereunder and obligations of the Seller thereunder shall be and remain in full force and effect, shall not be affected, impaired or discharged thereby and shall secure all of Seller's Guaranteed Obligations and liabilities to Administrative Agent and the Purchasers under the Existing Receivables Purchase Agreement as amended and restated hereby. Without limiting the foregoing, the parties to this Agreement hereby acknowledge and agree that the "Receivables Purchase Agreement" referred to in the Transaction Documents shall from and after the date hereof be deemed references to this Agreement.

Section 14.22. Equalization of Aggregate Capital and Commitments. All Capital outstanding under the Existing Receivables Purchase Agreement on the Restatement Effective Date (and which has not been satisfied on the Restatement Effective Date) shall continue to remain outstanding under this Agreement and, in connection therewith, each of the Committed Purchasers hereto (or the Related Conduit Purchasers on their behalf) each agree to make such purchases and

sales of the Capital of the other Purchasers as the Administrative Agent shall determine may be necessary in order for each Committed Purchaser (or its Related Conduit Purchasers on its behalf) to hold such Capital in accordance with its Percentage. Such purchases and sales shall be arranged through the Administrative Agent and each Purchaser hereby agrees to execute such further instruments and documents, if any, as the Administrative Agent may reasonably request in connection therewith. The Seller hereby consents to such transfers. The parties hereto agree that such transfers shall be deemed to be, and satisfy the conditions to, assignments under Section 14.03 of the Existing Receivables Purchase Agreement.

Section 14.23. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Solely to the extent any Purchaser that is an Affected Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Transaction Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Purchaser that is an Affected Financial Institution arising under any Transaction Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Purchaser that is an Affected Financial Institution; and

- (b) the effects of any Bail-in Action on any such liability, including, if applicable:

- (i) a reduction in full or in part or cancellation of any such liability;

- (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Transaction Document; or

- (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

[SIGNATURE PAGES FOLLOW]

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

WARNER BROS. DISCOVERY RECEIVABLES
FUNDING, LLC

By: _____
Name: _____
Title: _____

TURNER BROADCASTING SYSTEM, INC.,
as the Servicer

By: _____
Name: _____
Title: _____

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Name: _____
Title: _____

PNC BANK, NATIONAL ASSOCIATION,
as Group Agent for the PNC Group

By: _____
Name: _____
Title: _____

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

PNC CAPITAL MARKETS LLC,
as Structuring Agent and as Sustainability
Agent

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Group Agent for the Wells Group

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

MIZUHO BANK, LTD.,
as Group Agent for the Mizuho Group

By: _____
Name: _____
Title: _____

MIZUHO BANK, LTD.,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

THE TORONTO-DOMINION BANK,
as Group Agent for the Toronto-Dominion
Group

By: _____
Name: _____
Title: _____

THE TORONTO-DOMINION BANK,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

COMPUTERSHARE TRUST COMPANY OF CANADA,
in its capacity as Trustee of BANNER TRUST,
by its Financial Services Agent, TD
SECURITIES, INC.,
as a Conduit Purchaser

By: _____
Name: _____
Title: _____

BANCO SANTANDER, S.A., NEW YORK BRANCH
as Group Agent for the Santander Group

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

BANCO SANTANDER, S.A., NEW YORK BRANCH
as a Committed Purchaser

By: _____
Name: _____
Title: _____

BANK OF AMERICA, NATIONAL ASSOCIATION,
as Group Agent for the Bank of America
Group

By: _____
Name: _____
Title: _____

BANK OF AMERICA, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

TRUIST BANK,
as Group Agent for the Truist Bank Group

By: _____
Name: _____
Title: _____

TRUIST BANK,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

THE BANK OF NOVA SCOTIA,
as Group Agent for the Scotia Group

By: _____
Name: _____
Title: _____

THE BANK OF NOVA SCOTIA,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

LIBERTY STREET FUNDING LLC, as Conduit
Purchaser

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF INVESTMENT REQUEST

[Letterhead of Seller]

[Date]

[Administrative Agent]

[Group Agents]

Re: Investment Request

Ladies and Gentlemen:

Reference is hereby made to that certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022, among Warner Bros. Discovery Receivables Funding, LLC (the "*Seller*"), Turner Broadcasting System, Inc., as Servicer (the "*Servicer*"), the Purchasers party thereto, the Group Agents party thereto, PNC Bank, National Association, as Administrative Agent (in such capacity, the "*Administrative Agent*"), and PNC Capital Markets LLC, as Structuring Agent and as Sustainability Agent (as amended, supplemented or otherwise modified from time to time, the "*Agreement*"). Capitalized terms used in this Investment Request and not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

This letter constitutes an Investment Request pursuant to Section 2.02(a) of the Agreement. The Seller hereby request an Investment of Capital in the aggregate amount of [\$_____] to be made on [____, 202_] (of which \$[____] of Capital will be funded by the PNC Group and \$[____] of Capital will be funded by the [____] Group. Such Capital should be deposited to [Account number], at [Name, Address and ABA Number of Bank]. After giving effect to such Investment, the Aggregate Capital will be [\$_____].

The Seller hereby represents and warrants as of the date hereof, and after giving effect to such Investment, as follows:

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 of the Agreement are true and correct in all material respects on and as of the date of such Investment as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, and no Event of Termination or Unmatured Event of Termination would result from such Investment;

EXHIBIT A

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Investment;

(iv) the Aggregate Capital will be equal to or greater than an amount that is equal to the lesser of (a) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (b) the Capital Coverage Amount at such time;

(v) the Termination Date has not occurred[.][; and]

[(vi) the Sold Receivables are identified on the Schedule of Sold Receivables attached hereto.]

IN WITNESS WHEREOF, the undersigned has executed this letter by its duly authorized officer as of the date first above written.

Very truly yours,

WARNER BROS. DISCOVERY RECEIVABLES
FUNDING, LLC

By: _____
Name:
Title:

EXHIBIT B

FORM OF REDUCTION NOTICE

[LETTERHEAD OF SELLER]

[Date]

[Administrative Agent]

[Group Agents]

Re: Reduction Notice

Ladies and Gentlemen:

Reference is hereby made to that certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022, among Warner Bros. Discovery Receivables Funding, LLC, as Seller (the "*Seller*"), Turner Broadcasting System, Inc., as Servicer (the "*Servicer*"), the Purchasers party thereto, PNC Bank, National Association, as Administrative Agent (in such capacity, the "*Administrative Agent*"), and PNC Capital Markets LLC, as Structuring Agent and as Sustainability Agent (as amended, supplemented or otherwise modified from time to time, the "*Agreement*"). Capitalized terms used in this Reduction Notice and not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

This letter constitutes a Reduction Notice pursuant to Section 2.02(d) of the Agreement. The Seller hereby notifies the Administrative Agent and the Purchasers that it shall reduce the outstanding Capital of the Purchasers [in the [] Group] in the amount of [\$] to be made on [], 202[]. After giving effect to such reduction, the [outstanding Capital of the Purchasers in the [] Group will be [\$] and the Aggregate Capital will be [\$].

The Seller hereby represents and warrants as of the date hereof, and after giving effect to such reduction, as follows:

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 of the Agreement are true and correct in all material respects on and as of the date of such reduction as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, and no Event of Termination or Unmatured Event of Termination would result from such reduction;

EXHIBIT B

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such reduction; and

(iv) the Termination Date has not occurred.

IN WITNESS WHEREOF, the undersigned has executed this letter by its duly authorized officer as of the date first above written.

Very truly yours,

WARNER BROS. DISCOVERY RECEIVABLES
FUNDING, LLC

By: _____
Name:
Title:

EXHIBIT C

[FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT]

Dated as of _____, 20__

Section 1.

Commitment assigned:	\$[_____]
Assignor's remaining Commitment:	\$[_____]
Capital allocable to Commitment assigned:	\$[_____]
Assignor's remaining Capital:	\$[_____]
Yield (if any) allocable to Capital assigned:	\$[_____]
Yield (if any) allocable to Assignor's remaining Capital:	\$[_____]

Section 2.

Effective Date of this Assignment and Acceptance Agreement: [_____]

Upon execution and delivery of this Assignment and Acceptance Agreement by the assignee and the assignor and the satisfaction of the other conditions to assignment specified in Section 14.03(b) of the Agreement (as defined below), from and after the effective date specified above, the assignee shall become a party to, and, to the extent of the rights and obligations thereunder being assigned to it pursuant to this Assignment and Acceptance Agreement, shall have the rights and obligations of a Committed Purchaser under that certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022, among Warner Bros. Discovery Receivables Funding, LLC, as Seller, Turner Broadcasting System, Inc., as Servicer, the Purchasers party thereto, the Group Agents party thereto, PNC Bank, National Association, as Administrative Agent, and PNC Capital Markets LLC, as Structuring Agent and as Sustainability Agent (as amended, supplemented or otherwise modified from time to time, the "*Agreement*").

[Signature Pages Follow]

ASSIGNOR:

[]

By: _____

Name:

Title

ASSIGNEE:

[]

By: _____

Name:

Title

[Address]

Accepted as of date first above
written:

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: _____

Name:

Title:

WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC,
as Seller

By: _____

Name:

Title:

EXHIBIT D

[FORM OF ASSUMPTION AGREEMENT]

THIS ASSUMPTION AGREEMENT (this “*Agreement*”), dated as of [_____, ____], is among Warner Bros. Discovery Receivables Funding, LLC (the “*Seller*”), [_____, ____], as conduit Purchaser (the “[_____] *Conduit Purchaser*”), [_____, ____], as the Related Committed Purchaser (the “[_____] *Committed Purchaser*” and together with the Conduit Purchaser, the “[_____] *Purchasers*”), and [_____, ____], as group agent for the [_____] Purchasers (the “[_____] *Group Agent*” and together with the [_____] Purchasers, the “[_____] *Group*”).

BACKGROUND

The Seller and various others are parties to a certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022 (as amended through the date hereof and as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the “*Receivables Purchase Agreement*”). Capitalized terms used and not otherwise defined herein have the respective meaning assigned to such terms in the Receivables Purchase Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

Section 1. This letter constitutes an Assumption Agreement pursuant to Section 14.03(i) of the Receivables Purchase Agreement. The Seller desires [the [_____] Purchasers] [the [_____] Committed Purchaser] to [become a Group] [increase its existing Commitment] under the Receivables Purchase Agreement, and upon the terms and subject to the conditions set forth in the Receivables Purchase Agreement, the [[_____] Purchasers] [[_____] Committed Purchaser] agree[s] to [become Purchasers within a Group thereunder] [increase its Commitment to the amount set forth as its “Commitment” under the signature of such [_____] Committed Purchaser hereto].

The Seller hereby represents and warrants to the [_____] Purchasers and the [_____] Group Agent as of the date hereof, as follows:

- (i) the representations and warranties of the Seller contained in Section 7.01 of the Receivables Purchase Agreement are true and correct on and as of such date as though made on and as of such date;
- (ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, or would result from the assumption contemplated hereby; and
- (iii) the Termination Date shall not have occurred.

Section 2. Upon execution and delivery of this Agreement by the Seller and each member of the [_____] Group, satisfaction of the other conditions with respect to the addition of a Group

specified in Section 14.03(i) of the Receivables Purchase Agreement (including the written consent of the Administrative Agent and the Majority Group Agents) and receipt by the Administrative Agent of counterparts of this Agreement (whether by facsimile or otherwise) executed by each of the parties hereto, [the [] Purchasers shall become a party to, and have the rights and obligations of Purchasers under, the Receivables Purchase Agreement and the “Commitment” with respect to the Committed Purchasers in such Group as shall be as set forth under the signature of each such Committed Purchaser hereto] [the [] Committed Purchaser shall increase its Commitment to the amount set forth as the “Commitment” under the signature of the [] Committed Purchaser hereto].

Section 3. Each party hereto hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any federal or state bankruptcy or similar law, for one year and one day after the latest maturing commercial paper notes or other senior indebtedness issued by such Conduit Purchaser is paid in full. The covenant contained in this paragraph shall survive any termination of the Receivables Purchase Agreement.

Section 4. THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF). This Agreement may not be amended or supplemented except pursuant to a writing signed by each of the parties hereto and may not be waived except pursuant to a writing signed by the party to be charged. This Agreement may be executed in counterparts, and by the different parties on different counterparts, each of which shall constitute an original, but all together shall constitute one and the same agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the date first above written.

[_____] , as a Conduit Purchaser

By: _____
Name Printed: _____
Title: _____
[Address] _____

[_____] , as a Committed Purchaser

By: _____
Name Printed: _____
Title: _____
[Address] _____
[Commitment] _____

[_____] , as Group Agent for
[_____]

By: _____
Name Printed: _____
Title: _____
[Address] _____

WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC,
as Seller

By: _____
Name Printed: _____
Title: _____

EXHIBIT E

[RESERVED]

EXHIBIT F

[RESERVED]

EXHIBIT F

EXHIBIT G

FORM OF INFORMATION PACKAGE

(Attached)

EXHIBIT H

FORM OF COMPLIANCE CERTIFICATE

To: PNC Bank, National Association, as Administrative Agent

This Compliance Certificate is furnished pursuant to that certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022, among Warner Bros. Discovery Receivables Funding, LLC (the "*Seller*"), Turner Broadcasting System, Inc., as Servicer (the "*Servicer*"), the Purchasers party thereto, the Group Agents party thereto, PNC Bank, National Association, as Administrative Agent (in such capacity, the "*Administrative Agent*"), and PNC Capital Markets LLC, as Structuring Agent and as Sustainability Agent (as amended, supplemented or otherwise modified from time to time, the "*Agreement*"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected _____ of the Servicer.
2. I have reviewed the terms of the Agreement and each of the other Transaction Documents and I have made, or have caused to be made under my supervision, a detailed review of the transactions and condition of the Seller during the accounting period covered by the attached financial statements.
3. The examinations described in paragraph 2 above did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Termination or an Unmatured Event of Termination, as each such term is defined under the Agreement, during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate[, except as set forth in paragraph 5 below].
4. Schedule I attached hereto sets forth financial statements of the Parent and its Subsidiaries for the period referenced on such Schedule I.
- [5. Described below are the exceptions, if any, to paragraph 3 above by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which Seller has taken, is taking, or proposes to take with respect to each such condition or event:]

The foregoing certifications are made and delivered this _____ day of _____, 20____.

TURNER BROADCASTING SYSTEM, INC.

By: _____
Name: _____
Title: _____

SCHEDULE I TO COMPLIANCE CERTIFICATE

A. Schedule of Compliance as of _____, 20__ with Section 8.02(b)(i) of the Agreement. Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Agreement.

This schedule relates to the month ended: _____.

B. The following financial statements of the Parent and its Subsidiaries for the period ending on _____, 20__, are attached hereto:

EXHIBIT I

RESERVED

EXHIBIT I

EXHIBIT I-2

**RESTATEMENT EFFECTIVE DATE
CLOSING MEMORANDUM**

(Attached)

EXHIBIT J

RESERVED

EXHIBIT J

EXHIBIT K

RESERVED

EXHIBIT K

EXHIBIT L

DEFINED TERMS

“Account Control Agreement” means each agreement, in form and substance satisfactory to the Administrative Agent, among the Seller, the Servicer (if applicable), the applicable Originator (if applicable), the Administrative Agent and a Collection Account Bank, governing the terms of the related Collection Accounts, that (i) provides the Administrative Agent with control within the meaning of the UCC over the deposit accounts subject to such agreement and (ii) by its terms, may not be terminated or canceled by the related Collection Account Bank without the written consent of the Administrative Agent or upon no less than sixty (60) days prior written notice to the Administrative Agent or such lesser amount of time agreed to by the Administrative Agent and the applicable Collection Account Bank.

“Adjusted Receivables Pool Balance” means, at any time of determination: (a) the aggregate Outstanding Balance of all Pool Receivables as of such date, *minus* (b) the Excess Concentration determined in accordance with clause (g) of the definition thereof as of such date, *minus* (c) the Excess Concentration determined in accordance with clause (h) of the definition thereof as of such date, *minus* (d) without duplication, the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for one (1) day or more from the original due date for such payment or 31 days or more after the original invoice date for such payment.

“Administrative Agent” means PNC, in its capacity as contractual representative for the Purchaser Parties, and any successor thereto in such capacity appointed pursuant to Article XI or Section 14.03(g).

“Adverse Claim” means any ownership interest or claim, mortgage, deed of trust, pledge, lien, security interest, hypothecation, charge or other encumbrance or security arrangement of any nature whatsoever, whether voluntarily or involuntarily given, including, but not limited to, any conditional sale or title retention arrangement, and any assignment, deposit arrangement or lease intended as, or having the effect of, security and any filed financing statement or other notice of any of the foregoing (whether or not a lien or other encumbrance is created or exists at the time of the filing); it being understood that any of the foregoing in favor of, or assigned to, the Administrative Agent (for the benefit of the Secured Parties) shall not constitute an Adverse Claim.

“Advisors” has the meaning set forth in Section 14.06(c).

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affected Person” means each Purchaser Party, each Program Support Provider, each Liquidity Agent and each of their respective Affiliates.

“Affiliate” means, as to any Person: (a) any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person or (b) who is a director or officer: (i) of such Person or (ii) of any Person described in clause (a), except that, in the case of each Conduit Purchaser, Affiliate shall mean the holder(s) of its Capital Stock. For purposes of this definition, control of a Person shall mean the power, direct or indirect: (x) to vote 25% or more of the securities having ordinary voting power for the election of directors or managers of such Person or (y) to direct or cause the direction of the management and policies of such Person, in either case whether by ownership of securities, contract, proxy or otherwise.

“Aggregate Capital” means, at any time of determination, the aggregate outstanding Capital of all Purchasers at such time.

“Aggregate Yield” means, at any time of determination, the aggregate accrued and unpaid Yield on the Aggregate Capital at such time.

“Agreement” has the meaning set forth in the preamble to this Agreement.

“Anti-Corruption Laws” means (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended; (b) the U.K. Bribery Act 2010, as amended; and (c) any other applicable Law relating to anti-bribery or anti-corruption in any jurisdiction in which any Seller-Related Party is located or doing business.

“Anti-Money Laundering Laws” means (a) the Bank Secrecy Act and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001; (b) the U.K. Proceeds of Crime Act 2002, the Money Laundering Regulations 2017, as amended and the Terrorist Asset-Freezing etc. Act 2010; and (c) any other applicable Law relating to anti-money laundering and countering the financing of terrorism in any jurisdiction in which any Seller-Related Party is located or doing business.

“Applicable Law” means, with respect to any Person, (x) all provisions of law, statute, treaty, constitution, ordinance, rule, regulation, ordinance, requirement, restriction, permit, executive order, certificate, decision, directive or order of any Governmental Authority applicable to such Person or any of its property and (y) all judgments, injunctions, orders, writs, decrees and awards of all courts and arbitrators in proceedings or actions in which such Person is a party or by which any of its property is bound. For the avoidance of doubt, FATCA shall constitute an “Applicable Law” for all purposes of this Agreement.

“Assignment and Acceptance Agreement” means an assignment and acceptance agreement entered into by a Committed Purchaser, an Eligible Assignee, such Committed Purchaser’s Group Agent and the Administrative Agent, and, if required, the Seller, pursuant to which such Eligible Assignee may become a party to this Agreement, in substantially the form of Exhibit C hereto.

“Assumption Agreement” has the meaning set forth in Section 14.03(i).

“Attorney Costs” means and includes all fees, costs, expenses and disbursements of any law firm or other external counsel and all disbursements of internal counsel.

“AUD” means the lawful money of the Commonwealth of Australia.

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

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bank Rate” for any Portion of Capital funded by any Purchaser on any day, means an interest rate per annum equal to (a) the applicable SOFR Rate ~~plus the applicable SOFR Adjustment~~ with respect to such Purchaser for such Yield Period (or portion thereof); or (b) if the Base Rate is applicable to such Purchaser pursuant to Section 5.04, the Base Rate for such Purchaser on such day.

“Bankruptcy Code” means the United States Bankruptcy Reform Act of 1978 (11 U.S.C. § 101, *et seq.*), as amended from time to time.

“Base Rate” means, for any day and any Purchaser, a fluctuating interest rate per annum as shall be in effect from time to time, which rate shall be at all times equal to the greater of:

(a) the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent or its Affiliate as its “reference rate” or “prime rate”, as applicable (such “reference rate” or “prime rate” is set by the Administrative Agent or its Affiliate based upon various factors, including such Person’s 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, and is not necessarily the lowest rate charged to any customer); and

(b) 0.50% per annum above the latest Federal Funds Rate in effect on such day;

provided, however, if the Base Rate as determined above would be less than zero, then such rate shall be deemed to be zero.

“Beneficial Owner” means, for the Seller, each of the following: (a) each individual, if any, who, directly or indirectly, owns 25% or more of the Seller’s Capital Stock; and (b) a single individual with significant responsibility to control, manage or direct the Seller.

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

“Blocked Property” means any property: (a) owned, directly or indirectly, by a Sanctioned Person subject to U.S. blocking sanctions or an asset freeze under EU or U.K. sanctions; (b) due to or from a Sanctioned Person subject to U.S. blocking sanctions or an asset freeze under EU or U.K. sanctions; (c) in which a Sanctioned Person subject to U.S. blocking sanctions or an asset freeze under EU or U.K. sanctions otherwise holds any interest; (d) located in a Sanctioned Jurisdiction; or (e) that otherwise could cause any actual or possible violation by any Purchaser Party of any applicable Sanctions if the Purchaser Parties were to obtain an encumbrance on, lien on, pledge of, or security interest in such property, or provide services in consideration of such property.

“Breakage Fee” means (i) for any Yield Period for which Yield is computed by reference to Daily 1M SOFR or the Term SOFR Rate and a reduction of Capital is made for any reason on any day other than the last day of the related Yield Period (or Tranche Period, if applicable) or (ii) to the extent that the Seller shall for any reason, fail to accept any Investment on the date specified by the Seller in connection with any request for funding pursuant to Article II of this Agreement, the amount, if any, by which (A) the additional Yield (calculated without taking into account any Breakage Fee or any shortened duration of such Yield Period (or Tranche Period, if applicable) pursuant to the definition thereof) which would have accrued during such Yield Period (or Tranche Period, if applicable) on the reductions of Capital relating to such Yield Period (or Tranche Period, if applicable) had such reductions not been made (or, in the case of clause (ii) above, on the amounts so failed to be accepted in connection with any such request for funding by the Seller), exceeds (B) the income, if any, received by the applicable Purchaser from the investment of the proceeds of such reductions of Capital (or such amounts failed to be accepted by the Seller). A certificate as to the amount of any Breakage Fee (including the computation of such amount) shall be submitted by the affected Purchaser (or the Administrative Agent on its behalf) to the Seller and shall be conclusive and binding for all purposes, absent manifest error.

“Business Day” means any day (other than a Saturday or Sunday) on which banks are not authorized or required to close in Dallas, Texas, Atlanta, Georgia, Pittsburgh, Pennsylvania, or New York City, New York, provided that, when used in connection with an amount that accrues Yield at a rate based on SOFR or any direct or indirect calculation or determination of SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.

“CAD” means the lawful money of Canada.

“CAD Exception Account” means account #4011812543 maintained in the name of Turner Broadcasting Systems Inc. at JPMorgan Chase Bank, National Association.

“Capital” means, with respect to any Purchaser, the aggregate amounts paid to, or on behalf of, the Seller in connection with all Investments made by such Purchaser pursuant to Article II, or acquired by such Purchaser pursuant to an Assignment and Acceptance Agreement, as reduced from time to time by Collections distributed and applied on account of reducing, returning or repaying such Capital pursuant to Section 2.02(d) or 4.01; *provided*, that if such Capital shall have been reduced by any distribution and thereafter all or a portion of such distribution is rescinded or must otherwise be returned for any reason, such Capital shall be increased by the amount of such rescinded or returned distribution as though it had not been made.

“Capital Coverage Amount” means, at any time of determination, the lesser of (i) the Facility Limit at such time and (ii) the amount equal to (a) the Net Receivables Pool Balance at such time, *minus* (b) the Total Reserves at such time, *plus* (c) the sum of (x) the principal amount of Permitted Investments on deposit in the Pledged Investment Account and (y) amounts on deposit in the Pledged Deposit Account.

“Capital Coverage Deficit” means, at any time of determination, the amount, if any, by which (a) the Aggregate Capital at such time, *exceeds* (b) the Capital Coverage Amount at such time.

“Capital Stock” means, with respect to any Person, any and all common shares, preferred shares, interests, participations, rights in or other equivalents (however designated) of such Person’s capital stock, partnership interests, limited liability company interests, membership interests or other equivalent interests and any rights (other than debt securities convertible into or exchangeable for capital stock), warrants or options exchangeable for or convertible into such capital stock or other equity interests.

“Certificate of Beneficial Ownership” means, for the Seller, a certificate in form and substance acceptable to the Administrative Agent (as amended or modified by the Administrative Agent from time to time in its sole discretion), certifying, among other things, the Beneficial Owner of the Seller.

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

- (a) Performance Guarantor ceases to own, directly or indirectly, 100% of the issued and outstanding Capital Stock and all other equity interests of the Seller;
- (b) Performance Guarantor ceases to own, directly or indirectly, 100% of the issued and outstanding Capital Stock, membership interests or other equity interests of Turner or any Originator;
- (c) Turner ceases to directly own 100% of the issued and outstanding Capital Stock and all other equity interests of the Seller, free and clear of all Adverse Claims;
- (d) any Subordinated Note shall at any time cease to be owned by an Originator, free and clear of all Adverse Claims; or
- (e) subject to the following sentence, with respect to Performance Guarantor, any Person or two or more Persons acting in concert shall have acquired beneficial ownership (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of Voting Stock of the Performance Guarantor (or other securities convertible into such Voting Stock) representing more than 50% of the combined voting power of all Voting Stock of the Performance Guarantor.

Notwithstanding the foregoing, the acquisition of Discovery by Paramount Skydance Corporation pursuant to the transactions contemplated by the Merger Agreement

(including, for the avoidance of doubt, the Merger) will not constitute a Change in Control hereunder unless the covenant set forth in Section 8.05 fails to be satisfied by the time specified in Section 8.05.

“Change in Law” means the occurrence, after the Restatement Effective 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, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Closing Date” means March 27, 2019.

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

“Collection Account” means each “deposit account” within the meaning of the applicable UCC listed on Schedule II to this Agreement (as such schedule may be modified from time to time in connection with the closing or opening of any Collection Account in accordance with the terms hereof) and maintained at a bank or other financial institution acting as a Collection Account Bank for the purpose of receiving Collections and subject to an Account Control Agreement except with respect to (i) the CAD Exception Account (unless the CAD Exception Account becomes subject to an Account Control Agreement in accordance with Section 9.03) and (ii) any Excluded Collection Account.

“Collection Account Bank” means any of the banks or other financial institutions holding one or more Collection Accounts.

“Collections” means, with respect to any Pool Receivable: (a) all funds that are received by any Originator, the Seller, the Servicer or any other Person on their behalf in payment of any amounts owed in respect of such Pool Receivable (including purchase price, service charges, finance charges, interest, fees and all other charges), or applied to amounts owed in respect of such Pool Receivable (including insurance payments, proceeds of drawings under supporting letters of credit and net proceeds of the sale or other disposition of repossessed goods or other collateral or property of the related Obligor or any other Person directly or indirectly liable for the payment of such Pool Receivable and available to be applied thereon), (b) all Deemed Collections, (c) all proceeds of all Related Security with respect to such Pool Receivable, (d) all amounts paid by or on behalf of a Credit Insurer under a Credit Insurance Policy or in respect of any claim thereunder and (e) all other proceeds of such Pool Receivable.

“Commitment” means, with respect to any Committed Purchaser (including a Related Committed Purchaser), the maximum aggregate amount of Capital which such Person is obligated to pay hereunder on account of all Investments, on a combined basis, as set forth on Schedule I or in the Assumption Agreement or other agreement pursuant to which it became a Purchaser, as such amount may be modified in connection with any subsequent assignment pursuant to Section 14.03 or in connection with a reduction in the Facility Limit pursuant to Section 2.02(e) or an increase in the Facility Limit pursuant to Section 2.02(g). If the context so requires, “Commitment” also refers to a Committed Purchaser’s obligation to fund Investments hereunder in accordance with this Agreement.

“Committed Purchasers” means PNC and each other Person that is or becomes a party to this Agreement in the capacity of a “Committed Purchaser”.

“Compliance Authority” means (a) the United States government or any agency or political subdivision thereof, including, without limitation, the U.S. Department of State, the U.S. Department of Commerce, the U.S. Department of the Treasury and its Office of Foreign Assets Control, and the U.S. Customs and Border Protection agency; (b) the government of Canada or any agency thereof; (c) the European Union or any agency thereof; (d) the government of the United Kingdom or any agency thereof; and (e) the United Nations Security Council.

“Concentration Percentage” means, (a) except as provided in clause (b) below, (i) for any Group A Obligor, 20.0%, (ii) for any Group B Obligor, 15.0%, (iii) for any Group C Obligor, 10.0%, and (iv) for any Group D Obligor, 3.0% and (b) for each of the Obligors listed in the chart on Schedule VI hereto or which the Administrative Agent, with the approval of the Seller and the consent, or at the direction, of the Majority Group Agents from time to time designates in writing to the Seller and the Servicer as a Special Obligor (each, a *“Special Obligor”*), the percentage specified in the chart on Schedule VI for such Special Obligor (the applicable *“Special Concentration Limit”*); *provided, however*, that the Administrative Agent may, in its sole discretion, or will, (x) at the direction of the Majority Group Agents upon not less than thirty (30) days’ prior written notice to the Seller, (y) at any time that the Performance Guarantor credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is below BB by S&P or Ba2 by Moody’s or (z) at the direction of any Group Agent upon not less than ten (10) Business Days’ prior written notice to the Seller following a downgrade of the credit rating on the applicable Special Obligor’s (or its parent’s or majority owner’s, as applicable, if such Special Obligor is not rated) short-term or long-term senior unsecured and uncredit-enhanced debt securities by S&P or Moody’s, cancel or reduce the Special Concentration Limit with respect to any such Special Obligor, and in the case of a cancellation, the Concentration Percentage for such Special Obligor shall be determined pursuant to clause (a) above. In the event that any other Obligor is or becomes an Affiliate of a Special Obligor, the Special Concentration Limit shall apply to both such Obligor and such Special Obligor and shall be calculated as if such Obligor and such Special Obligor were a single Obligor.

“Concentration Reserve Percentage” means, at any time of determination, the largest of: (a) the sum of the five (5) largest Obligor Percentages of the Group D Obligors, (b) the sum of the three (3) largest Obligor Percentages of the Group C Obligors, (c) the sum of the two (2) largest Obligor Percentages of the Group B Obligors, and (d) the largest Obligor Percentage of the

Group A Obligor; *provided*, that, for purposes of determining the Concentration Reserve Percentage, each Obligor's Obligor Percentage shall be deemed to be the lesser of its Obligor Percentage and its Concentration Percentage at such time, *provided, however*, that, for purposes of determining the Concentration Reserve Percentage with respect to any Eligible Receivable that is an Insured Receivable, the "Obligor" thereof (including for purposes of determining such Obligor's Obligor Percentage and status as a Group A Obligor, Group B Obligor, Group C Obligor or Group D Obligor) shall be deemed to be the Credit Insurer. ~~Notwithstanding the foregoing, for purposes of this definition of "Concentration Reserve Percentage", Netflix, Inc. shall at all times be deemed to be a Group C Obligor, provided, however, that (i) the Administrative Agent may, in its sole discretion, upon not less ten (10) Business Days' prior written notice to the Seller revoke such treatment of Netflix, Inc. as a Group C Obligor as provided in this sentence, and (ii) in the event that Netflix, Inc.'s credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is below BBB by S&P or Baa3 by Moody's, Netflix, Inc. shall automatically be no longer treated as a Group C Obligor as provided in this sentence.~~

"*Conduit Purchaser*" means each commercial paper conduit that is or becomes a party to this Agreement in the capacity of a "*Conduit Purchaser*".

"*Conforming Changes*" means, with respect to the Term SOFR Rate, Daily 1M SOFR or any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Tranche Period," the definition of "Yield Period," timing and frequency of determining rates and making payments of Yield, timing of Investment Requests or return, prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent reasonably decides (in consultation with the Seller) may be appropriate to reflect the adoption and implementation of the Term SOFR Rate, Daily 1M SOFR or such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent reasonably decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent reasonably determines that no market practice for the administration of the Term SOFR Rate, Daily 1M SOFR or the Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Seller) is reasonably necessary in connection with the administration of this Agreement and the other Transaction Documents).

"*Contract*" means, with respect to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes, insertions or other writings pursuant to which such Receivable arises or that evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable, *provided*, that notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the

payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

“Covered Entity” means (a) each Seller-Related Party and each of its Subsidiaries; (b) any Person who has pledged (or will pledge) Seller Collateral hereunder; and (c) each Person that, directly or indirectly, controls a Person described in clauses (a) or (b) above.

“Credit and Collection Policy” means, as the context may require, those receivables credit and collection policies and practices of the Originators in effect on the Restatement Effective Date.

“Credit Insurance Policy” means a credit insurance policy issued by a Credit Insurer to the Seller, which policy names the Seller as insured and insures the payment of Pool Receivables owing by an Insured Obligor.

“Credit Insurer” means the issuer of a Credit Insurance Policy.

“Daily 1M SOFR” means, for any day, the rate per annum equal to the Term SOFR Reference Rate for such day for a one (1) month period, as published by the Term SOFR Administrator; provided, that if Daily 1M SOFR, determined as provided above, would be less than the SOFR Floor, then Daily 1M SOFR shall be deemed to be the SOFR Floor. The rate of interest will be adjusted automatically as of each Business Day based on changes in Daily 1M SOFR without notice to the Seller.

“Days’ Sales Outstanding” means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to: (a) the average of the Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) as of the last day of each of the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (b) an amount equal to (i) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (ii) 90.

“Debt” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments and (c) all guarantees by such Person of Debt of others.

“Deemed Collections” has the meaning set forth in Section 4.01(d).

“Default Ratio” means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by *dividing*: (a) the aggregate Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) that became Defaulted Receivables during such Fiscal Month, *by* (b) the sum of (x) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables and Discovery Receivables) generated by all Originators during the month that is five

(5) Fiscal Months before such Fiscal Month (or such lesser amount of Fiscal Months as may be approved in writing by the Seller and the Administrative Agent with respect to all Pool Receivables generated by any specific Originator subject to the parenthetical appearing in clause (a) of the defined term “*Defaulted Receivable*”) and (y) the aggregate initial Outstanding Balance of all Pool Receivables that are Discovery Receivables (other than Unbilled Receivables) generated by all Originators during the month that is seven (7) Fiscal Months before such Fiscal Month (or such lesser amount of Fiscal Months as may be approved in writing by the Seller and the Administrative Agent with respect to all Pool Receivables generated by any specific Originator subject to the parenthetical appearing in clause (a) of the defined term “*Defaulted Receivable*”); *provided, however*, that Receivables originated by HBO Originators the Obligor of which was Spectrum Management Holding Company, Comcast Cable Communications, Inc., Comcast Cable Communications, LLC or Comcast Cable Communications Holdings, Inc. that (i) became Defaulted Receivables during October 2023 and (ii) for which Discovery had already received payment but such payment was accounted for as unapplied cash in October 2023 shall be excluded from clause (a) above.

“*Defaulted Receivable*” means, without duplication, a Receivable:

(a) as to which any payment, or part thereof, remains unpaid for (x) with respect to all Receivables other than Discovery Receivables, 121 days or more from the original due date for such payment or 151 days or more after the original invoice date for such payment (or such lesser amount of days as may be approved in writing by the Seller and the Administrative Agent (with notice of such approval delivered to the Group Agents) with respect to any Receivables originated by any specific Originator), or (y) with respect to Discovery Receivables, 211 days or more after the original invoice date for such payment (or such lesser amount of days as may be approved in writing by the Seller and the Administrative Agent (with notice of such approval delivered to the Group Agents) with respect to any Receivables originated by any specific Originator);

(b) as to which an Insolvency Proceeding shall have occurred with respect to the Obligor thereof or any other Person obligated thereon or owning any Related Security with respect thereto; or

(c) that has been written off in the applicable Originator’s or the Seller’s books as uncollectible consistent with the Credit and Collection Policy;

provided, however, that in each case above such amount shall be calculated without giving effect to any netting of credits that have not been matched to a particular Receivable for the purposes of aged trial balance reporting.

“*Defaulting Purchaser*” means any Committed Purchaser that (a) has failed, within two (2) Business Days of the date required to be funded or paid, to (i) fund any portion of its Investments (or the Capital thereof) or (ii) pay over to any Purchaser Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Committed Purchaser notifies the Administrative Agent in writing that such failure is the result of such Committed Purchaser’s good faith determination that a condition precedent to funding

(specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Seller or any Purchaser Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Committed Purchaser's good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding an Investment under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by a Purchaser Party, acting in good faith, to provide a certification in writing from an authorized officer of such Committed Purchaser that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Investments under this Agreement, *provided* that such Committed Purchaser shall cease to be a Defaulting Purchaser pursuant to this clause (c) upon such Purchaser Party's receipt of such certification in form and substance satisfactory to it and the Administrative Agent, or (d)(i) has become the subject of an Insolvency Proceeding or (ii) has become the subject of a Bail-In Action.

"Delinquency Ratio" means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by dividing: (a) the aggregate Outstanding Balance of all Pool Receivables that were Delinquent Receivables on such day by (b) the aggregate Outstanding Balance of all Pool Receivables on such day.

"Delinquent Receivable" means a Receivable as to which any payment, or part thereof, remains unpaid for 121 days or more from the original due date for such payment or 151 days or more after the original invoice date for such payment.

"Dilution Horizon Ratio" means, for any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of such Fiscal Month by *dividing*: (a) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the 1.5 most recent consecutive Fiscal Months, *by* (b) the aggregate Outstanding Balance of all Pool Receivables as of the last day of such Fiscal Month. Within thirty (30) days of the completion and the receipt by the Administrative Agent of the results of any annual audit or field exam of the Receivables and the servicing and origination practices of the Servicer and the Originators, the numerator of the Dilution Horizon Ratio may be adjusted by the Administrative Agent upon not less than five (5) Business Days' notice to the Seller to reflect such number of Fiscal Months as the Administrative Agent reasonably believes best reflects the business practices of the Servicer and the Originators and the actual amount of dilution and Deemed Collections that occur with respect to Pool Receivables based on the weighted average dilution lag calculation completed as part of such audit or field exam.

"Dilution Ratio" means, for any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward), computed as of the last day of each Fiscal Month by *dividing*: (a) the aggregate amount of Deemed Collections during such Fiscal Month, *by* (b) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is one (1) month prior to such Fiscal Month.

“Dilution Reserve Percentage” means, at any time of determination, the product (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of (a) the sum of (i) the product of (A) the Stress Factor *multiplied by* (B) the average of the Dilution Ratios for the twelve (12) most recent Fiscal Months *plus* (ii) the Dilution Volatility Component, *multiplied by* (b) the Dilution Horizon Ratio.

“Dilution Volatility Component” means, for any Fiscal Month, the product (expressed as a percentage) and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of:

(a) the positive difference, if any, between: (i) the highest Dilution Ratio during the twelve (12) most recent consecutive Fiscal Months and (ii) the arithmetic average of the Dilution Ratios for such twelve (12) consecutive Fiscal Months; *multiplied by*

(b) the quotient of (i) the highest Dilution Ratio during the twelve (12) most recent consecutive Fiscal Months *divided by* (ii) the arithmetic average of the Dilution Ratios for such twelve (12) consecutive Fiscal Months.

“Discovery” means Warner Bros. Discovery, Inc. (f/k/a Discovery, Inc.), a Delaware corporation.

“Discovery Receivable” means, without duplication, a Receivable with respect to which the applicable Originator is Discovery.com LLC, Discovery Digital Ventures LLC, Discovery Wings, LLC, Discovery Times Channel, LLC, Discovery Communications, LLC, Animal Planet, LP, Discovery Health Ventures LLC, Cooking Channel, LLC, The Travel Channel, LLC, Television Food Network GP, Scripps Networks, LLC, or Discovery Licensing, Inc. (collectively, the *“Discovery Originators”*) For the avoidance of doubt, any ad sales Receivables of a Turner Originator that are billed by any of the Discovery Originators shall represent a Discovery Receivable.

“Dollar Equivalent” means, on any date on which a determination thereof is to be made, with respect to (a) any amount denominated in Dollars, such amount and (b) any amount denominated in a Foreign Currency, the Dollar equivalent of such amount of such Foreign Currency determined by referenced to the Spot Rate determined as of such determination date.

“Dollars” and *“\$”* each mean the lawful currency of the United States of America.

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

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

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

“Eligible Assignee” means (i) any Committed Purchaser or any of its Affiliates, (ii) any Person managed by a Committed Purchaser or any of its Affiliates and (iii) any other financial or other institution.

“Eligible Credit Insurance” means a Credit Insurance Policy issued by an Eligible Credit Insurance Provider which (i) has been approved in writing by the Administrative Agent and each Purchaser in its respective sole discretion, (ii) is in full force and effect, (iii) names the Administrative Agent as an additional insured, loss-payee or bank-beneficiary (as the case may be) entitled to make, and receive payment of, insurance claims thereunder, (iv) contains terms and endorsements permitting the transactions contemplated by the Transaction Documents (including with respect to the Pool Receivables insured thereby and the Seller, the Originators, the Servicer, the Performance Guarantor and any other Affiliate thereof that is from time to time a party to any Transaction Document and the Purchaser Parties), (v) with respect to which, all due and payable premiums under the Credit Insurance Policy have been paid in full and (vi) with respect to which the Eligible Credit Insurance Provider (A) is not the subject of an Insolvency Proceeding and (B) has not failed to make any required payments under the Credit Insurance Policy pursuant to the terms thereof. For the avoidance of doubt, if the Credit Insurer of such a Credit Insurance Policy ceases to be an Eligible Credit Insurance Provider, such policy shall cease to constitute Eligible Credit Insurance.

“Eligible Credit Insurance Provider” means an insurance company in the business of issuing commercial credit insurance (a) which company is not an Affiliate of any of the Seller, the Originators, the Servicer, the Performance Guarantor or any other Affiliate thereof and (b) with respect to which, it has not had any credit rating assigned by any of Moody’s, S&P or A.M. Best Company, Inc. to it reduced by two or more ratings “notches” since the time the Credit Insurance Policy written by such Credit Insurer became Eligible Credit Insurance hereunder; provided, that, with respect to the Credit Insurance Policy issued by multiple insurance providers, the Administrative Agent may elect (in its sole discretion) to treat such syndicate as a single insurer and apply a weighted average credit rating.

“Eligible Foreign Currency” means AUD, CAD, EUR, GBP, NZD and SEK.

“Eligible Foreign Currency VaR Percentage” means 6.0%, or such other percentage designated by all Group Agents from time to time upon ten (10) Business Days’ notice.

“Eligible Foreign Obligor” means an Obligor that is organized in or that has a head office (domicile), registered office, and chief executive office located in a country that is not the United States or a country or territory that is, or whose government is, a Sanctioned Jurisdiction.

“Eligible Receivable” means, at any time of determination, a Receivable:

(a) the Obligor of which is: (i) either a U.S. Obligor or an Eligible Foreign Obligor; (ii) not a Sanctioned Person; (iii) not a consolidated Affiliate of the Seller, the Servicer, the Parent or any Originator; (iv) not a natural person; and (v) not the Obligor with respect to which more than 50% of the aggregate Outstanding Balance of all of such Obligor's Pool Receivables consist of Defaulted Receivables or Delinquent Receivables;

(b) that is neither a Defaulted Receivable (other than with respect to clause (a) of such definition) nor a Delinquent Receivable;

(c) that is denominated and payable only in Dollars or an Eligible Foreign Currency and the Obligor with respect to which has been instructed to remit Collections in respect thereof directly to a Lock-Box or Collection Account in the United States of America or Canada;

(d) that does not have a due date which is more than 90 days after the original invoice date of such Receivable;

(e) that (i) arises under a Contract for the sale or licensing of goods or services entered into on an arm's length basis in the ordinary course of the applicable Originator's business and (ii) does not constitute a loan or other similar financial accommodation being provided by the applicable Originator;

(f) that arises under a duly authorized Contract that (i) is in full force and effect, and (ii) is a legal, valid and binding obligation of the related Obligor, enforceable against such Obligor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity regardless of whether enforceability is considered in a proceeding in equity or at law;

(g) that has been transferred by an Originator to the Seller pursuant to the Purchase and Sale Agreement with respect to which transfer all conditions precedent under the Purchase and Sale Agreement have been met or explicitly waived in writing by the Administrative Agent;

(h) that, together with the Contract related thereto, conforms in all material respects with all Applicable Laws (including any applicable laws relating to usury, truth in lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy);

(i) with respect to which all consents, licenses, approvals or authorizations of, or registrations or declarations with or notices to, any Governmental Authority or other Person required to be obtained, effected or given by an Originator in connection with the creation of such Receivable, the execution, delivery and performance by such Originator of the related Contract or the assignment thereof under the Purchase and Sale Agreement have been duly obtained, effected or given and are in full force and effect;

(j) that is not subject to any existing dispute, litigation, right of rescission, set-off, counterclaim, any other defense against the applicable Originator (or any assignee of such Originator), or Adverse Claim other than Permitted Liens, and the Obligor of which holds no right as against the applicable Originator to cause such Originator to repurchase the goods or merchandise, the sale of which shall have given rise to such Receivable, it being understood that a Receivable shall not be ineligible under this clause (j) solely because the related Contract contains a contractual right of set-off of the Obligor;

(k) that satisfies all applicable requirements of the Credit and Collection Policy;

(l) that, together with the Contract related thereto, has not been modified, waived or restructured since its creation, except as permitted pursuant to Section 9.02 of this Agreement;

(m) in which the Seller owns good and marketable title, free and clear of any Adverse Claims other than Permitted Liens, and that is freely assignable (including without any consent of the related Obligor or any Governmental Authority), and the payments thereon are free and clear of any, or increased to account for any applicable, withholding Taxes;

(n) for which the Administrative Agent (on behalf of the Secured Parties) shall have a valid and enforceable first priority perfected ownership or security interest therein and in the Related Security (other than with respect to the CAD Exception Account (unless the CAD Exception Account becomes subject to an Account Control Agreement in accordance with Section 9.03), each Excluded Collection Account) and Collections with respect thereto, in each case free and clear of any Adverse Claim other than Permitted Liens;

(o) that (x) constitutes an “account” or “general intangible” (as defined in the UCC), (y) is not evidenced by instruments or chattel paper and (z) does not constitute, or arise from the sale of, as-extracted collateral (as defined in the UCC);

(p) with respect to which there are no unapplied payments that have been excluded from the Seller’s accounts receivable aging reports but that remains unapplied as of the end of the month in which such payments were received;

(q) for which none of any Originator, the Seller, the Parent, the Performance Guarantor or the Servicer has established any offset or netting arrangements with the related Obligor in connection with the ordinary course of payment of such Receivable, it being understood that a Receivable shall not be ineligible under this clause (q) solely because the related Contract contains a contractual right of set-off of the Obligor;

(r) that represents amounts earned and payable by the Obligor that are not subject to the performance of additional services by the Originator thereof or by the Seller and such Receivable shall have been billed or invoiced and the related goods or merchandise shall have been shipped and/or services performed, other than, in the case of

an Eligible Unbilled Receivable, the billing or invoicing of such Receivable; *provided*, that if such Receivable is subject to the performance of additional services, only the portion of such Receivable attributable to such additional services shall be ineligible; *provided, further* that any Receivable that arises under a Contract for the licensing of goods or services;

(s) which (i) does not arise from a sale of accounts made as part of a sale of a business or constitute an assignment for the purpose of collection only, (ii) is not a transfer of a single account made in whole or partial satisfaction of a preexisting indebtedness or an assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract and (iii) is not a transfer of an interest in or an assignment of a claim under a policy of insurance;

(t) which does not relate to the sale of any consigned goods or finished goods which have incorporated any consigned goods into such finished goods;

(u) for which the related Originator has recognized the related revenue on its financial books and records in accordance with GAAP;

(v) for which neither the related Originator, nor any Affiliate thereof is holding any deposits, retainers or other advance payments received by or on behalf of the related Obligor; *provided* that only the portion of such Pool Receivable in an amount equal to such deposits shall be ineligible;

(w) that, if such Receivable is an Unbilled Receivable, is an Eligible Unbilled Receivable;

(x) is not an Excluded Receivable; and

(y) that is not subject to any future withholding tax to a U.S. person; *provided* that to the extent such Pool Receivable is subject to any future withholding tax to a U.S. person, only a portion of such Pool Receivable that is an amount equal to such future withholding tax shall be ineligible.

“Eligible Unbilled Receivable” means, at any time, any Unbilled Receivable if the related Originator has recognized the related revenue on its financial books and records under GAAP.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated, and rulings issued thereunder.

“ERISA Affiliate” means any Person that for purposes of Title IV of ERISA is a member of the Parent’s controlled group, or under common control with the Parent, within the meaning of Section 414 of the Code.

“Erroneous Payment” has the meaning assigned to it in Section 11.11(a).

“Erroneous Payment Notice” has the meaning assigned to it in Section 11.11(a).

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

“EU Securitisation Regulation” means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 as supplemented by any applicable regulatory technical standards or implementing technical standards from time to time (including any technical standards applicable pursuant to transitional provisions).

“EU Securitisation Rules” means (i) the EU Securitisation Regulation, (ii) to the extent informing the interpretation of the EU Securitisation Regulation, any official guidance published in relation thereto by the European Banking Authority, the European Central Bank, the European Securities and Markets Authority, the European Commission or the European Council (or in each case any predecessor or replacement organization) or any other relevant competent authority (for the purposes of the EU Securitisation Regulation) in the European Union and (iii) any implementing laws or regulations in force in any Member State of the European Union or the European Economic Area.

“Euro” means the unit of single currency of the Participating Member States.

“Euro-Rate Reserve Percentage” means, the maximum effective percentage in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including without limitation, supplemental, marginal, and emergency reserve requirements) with respect to eurocurrency funding (currently referred to as *“Eurocurrency Liabilities”*).

“Event of Termination” has the meaning specified in Section 10.01. For the avoidance of doubt, any Event of Termination that occurs shall be deemed to be continuing at all times thereafter unless and until waived in accordance with Section 14.01.

“Excess Concentration” means, as of any date of determination, the sum of the following amounts, without duplication:

(a) the sum of the amounts calculated for each of the Obligor equal to the excess (if any) of (i) the aggregate Outstanding Balance of the Eligible Receivables of such Obligor, *over* (ii) the product of (x) such Obligor’s applicable Concentration Percentage, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(b) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligor of which is an Eligible Foreign Obligor that is a resident of a country that maintains a sovereign debt rating of greater than (A) “BB+” by S&P and (B) “Ba1” by Moody’s, *over* (ii) the product of (x) 20.0%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(c) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligor of which is an Eligible Foreign Obligor that is a resident of a country that maintains a sovereign debt rating less than or equal to (A) “BB+” by S&P or (B) “Ba1” by Moody’s, *over* (ii) the product of (x) 5.0%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(d) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are denominated in an Eligible Foreign Currency, *over* (ii) the product of (x) 10.0%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(e) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligors of which are Governmental Authorities, *over* (ii) the product of (x) 2.0%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(f) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Eligible Unbilled Receivables which have an expected billing date of 365 days or less, *over* (ii) the product of (x) 40.0%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(g) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Eligible Unbilled Receivables which have an expected billing date of greater than 365 days but less than or equal to 730 days, *over* (ii) the product of (x) ~~15.0~~20.0%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(h) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Eligible Unbilled Receivables which have an expected billing date of greater than 730 days, *over* (ii) the product of (x) 0.0%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; *plus*

(i) the excess (if any) of (i) the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for either (A) one day or more but less than 31 days past the original due date for such payment or (B) more than 30 days but less than 61 days after the original invoice date for such payment, *over* (ii) the product of (x) 67.5%, *multiplied by* (y) aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is one (1) Fiscal Month before the then-current Fiscal Month as of such date of determination; *plus*

(j) the excess (if any) of (i) the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for either (A) more than 30 days but less than 61 days past the original due date for such payment or (B) more than 60 days but less than 91 days after the original invoice date for such payment, *over* (ii) the product of (x) 30.0%, *multiplied by* (y) the aggregate initial Outstanding Balance of

all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is two (2) Fiscal Months before the then-current Fiscal Month as of such date of determination; *plus*

(k) the excess (if any) of (i) the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for either (A) more than 60 days but less than 91 days past the original due date for such payment or (B) more than 90 days but less than 121 days after the original invoice date for such payment, *over* (ii) the product of (x) 15.0%, *multiplied by* (y) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is three (3) Fiscal Months before the then-current Fiscal Month as of such date of determination; *plus*

(l) the excess (if any) of (i) the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for either (A) more than 90 days but less than 121 days past the original due date for such payment or (B) more than 120 days but less than 151 days after the original invoice date for such payment, *over* (ii) the product of (x) 7.5%, *multiplied by* (y) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is four (4) Fiscal Months before the then-current Fiscal Month as of such date of determination; *plus*

(m) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables as to which the Obligors of such Eligible Receivables are instructed to remit Collections related thereto into an Excluded Collection Account during the most recently ended Fiscal Month *over* (ii) the product of (x) 2.5%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended or otherwise modified from time to time.

“*Excluded Collection Account*” means each “deposit account” within the meaning of the applicable UCC that (i) receives Collections on Pool Receivables only if such Pool Receivable is a GDS Receivable, and (ii) is listed on Schedule II to this Agreement (as such schedule may be modified from time to time in connection with the closing or opening of any Collection Account in accordance with the terms hereof) and identified as an Excluded Collection Account.

“*Excluded Collection Account Owner*” means GDS.

“*Excluded GDS Receivable*” means each receivable generated by GDS related to the distribution of HBOMax outside the United States and its territories and possessions.

“*Excluded HBO Receivable*” means each receivable generated by an HBO Originator under a Contract related to (1) historic pay-per-view sports events; (2) retail and/or merchandise licensing transactions; or (3) rental or other use of Home Box Office, Inc.’s studio facilities.

“Excluded Receivable” means each receivable (a) the Obligor of which is the Parent, any of its Affiliates or any joint venture that is partially owned or controlled by the Parent or any of its consolidated Affiliates; provided, for the purposes of this clause (a), “control” of a joint venture means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such joint venture, whether through the ownership of voting securities, by contract or otherwise; (b) that is an Excluded HBO Receivable; (c) that is an Excluded Turner Receivable; or (d) that is an Excluded GDS Receivable.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to an Affected Person or required to be withheld or deducted from a payment to an Affected Person: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed as a result of such Affected Person being organized under the laws of, or having its principal office or, in the case of any Purchaser, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Purchaser, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Purchaser with respect to an applicable interest in its Capital or Commitment pursuant to a law in effect on the date on which (i) such Purchaser funds an Investment or its Commitment or (ii) such Purchaser changes its lending office, except in each case to the extent that amounts with respect to such Taxes were payable either to such Purchaser’s assignor immediately before such Purchaser became a party hereto or to such Purchaser immediately before it changed its lending office, (c) any withholding Taxes imposed pursuant to FATCA and (d) Taxes attributable to such Affected Person’s failure to comply with Section 5.03(f), (g) or (i).

“Excluded Turner Receivable” means each receivable generated by a Turner Originator under a Contract related to (1) owned programming television syndication; (2) the license of such Turner Originator’s owned programming brands and characters (or brands/businesses such Turner Originator manages for other companies) for consumer products and other business ventures; (3) subscription video on demand; (4) home video, DVD, and electronic sell-through; (5) festival tickets; or (6) streaming.

“Existing Receivables Purchase Agreement” has the meaning set forth in the preliminary statements to this Agreement.

“Facility Limit” means ~~\$5,000,000,000~~4,000,000,000 as reduced from time to time pursuant to Section 2.02(e) or increased from time to time pursuant to Section 2.02(g). References to the unused portion of the Facility Limit shall mean, at any time of determination, an amount equal to (x) the Facility Limit at such time, *minus* (y) the Aggregate Capital at such time.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code, any applicable intergovernmental agreement entered into between the United States and any other Governmental Authority in connection with the implementation of the foregoing and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any such intergovernmental agreement.

"Federal Funds Rate" means, for any day, the per annum rate set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Federal Reserve Board (including any such successor, *"H.15(519)"*) for such day opposite the caption "Federal Funds (Effective)." If on any relevant day such rate is not yet published in H. 15(519), the rate for such day will be the rate set forth in the daily statistical release designated as the Composite 3:30 p.m. Quotations for U.S. Government Securities, or any successor publication, published by the Federal Reserve Bank of New York (including any such successor, the *"Composite 3:30 p.m. Quotations"*) for such day under the caption "Federal Funds Effective Rate." If on any relevant day the appropriate rate is not yet published in either H.15(519) or the Composite 3:30 p.m. Quotations, the rate for such day will be the arithmetic mean as determined by the Administrative Agent of the rates for the last transaction in overnight Federal funds arranged before 9:00 a.m. (New York City time) on that day by each of three leading brokers of Federal funds transactions in New York City selected by the Administrative Agent.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System, or any entity succeeding to any of its principal functions.

"Fee Letter" has the meaning set forth in [Section 2.03\(a\)](#).

"Fees" has the meaning specified in [Section 2.03\(a\)](#).

"Final Payout Date" means the date on or after the Termination Date when (i) the Aggregate Capital has been reduced to zero and the Aggregate Yield has been paid in full, (ii) all other Seller Obligations have been paid in full (other than unasserted or contingent indemnification claims), (iii) all other amounts owing to the Purchaser Parties and any other Seller Indemnified Party or Affected Person hereunder and under the other Transaction Documents have been paid in full other than unasserted or contingent indemnification claims) and (iv) all accrued Servicing Fees have been paid in full.

"Financial Officer" of any Person means the chief executive officer, the chief financial officer, the chief accounting officer, the principal accounting officer, the controller, the treasurer or the assistant treasurer of such Person.

"Fiscal Month" means each calendar month.

"Fitch" means Fitch, Inc. and any successor thereto that is a nationally recognized statistical rating organization.

"Foreign Currency" means the lawful currency of any other country or territory other than the United States.

"Fourth Amendment Effective Date" means [June 12, 2026](#).

"FX Reserve" means, as of any date of determination, an amount equal to (i) the product of (a) the Dollar Equivalent of the aggregate outstanding balance of all Eligible Receivables

denominated in an Eligible Foreign Currency at such time, *times* (b) the Eligible Foreign Currency VaR Percentage at such time *divided by* (ii) the Net Receivables Pool Balance at such time.

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

“GBP” means the lawful money of the United Kingdom.

“GDS” means WarnerMedia Global Digital Services, LLC, a Delaware limited liability company.

“GDS Assignment Agreement” means that certain Receivables Assignment Agreement dated as of March 15, 2021, between GDS and WarnerMedia Direct, LLC, a Delaware limited liability company.

“GDS Receivable” means a Receivable originated by GDS that has been assigned to WarnerMedia Direct, LLC, a Delaware limited liability company, pursuant to the GDS Assignment Agreement.

“Government Official” means any officer, employee, official, representative, or any Person acting for or on behalf of any Official Body, government-owned or government-controlled association, organization, business, or enterprise, or public international organization, any political party or official thereof and any candidate for political office.

“Governmental Authority” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state, provincial, territorial 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).

“Group” means, (i) for any Conduit Purchaser, such Conduit Purchaser, together with such Conduit Purchaser’s Related Committed Purchasers and related Group Agent, (ii) for PNC, PNC as a Committed Purchaser and as a Group Agent, and (iii) for any other Purchaser that does not have a related Conduit Purchaser, such Purchaser, together with such Purchaser’s related Group Agent and each other Purchaser for which such Group Agent acts as a Group Agent hereunder.

“Group A Obligor” means any Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) with a short-term rating of at least: (a) “A-1” by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of “A+” or better by S&P on such Obligor’s, its parent’s, or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, and (b) “P-1” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “A1” or better by Moody’s on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; *provided, however*, if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by only one of such rating agencies, then such Obligor will be a

“Group A Obligor” if it satisfies either clause (a) or clause (b) above; *provided, further*, that if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) receives a split rating from S&P and Moody’s and satisfies only one of clause (a) or clause (b) above, then such Obligor shall be deemed to have satisfied each of clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of “Group A Obligor” shall be deemed to be a Group A Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the “Concentration Reserve Percentage”, the “Concentration Reserve” and clause (i) of the definition of “Excess Concentration” for such Obligors, unless such deemed Obligor separately satisfies the definition of “Group A Obligor”, “Group B Obligor”, or “Group C Obligor”, in which case such Obligor shall be separately treated as a Group A Obligor, a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors and (ii) any Obligor that is a Special Obligor that satisfies the definition of “Group A Obligor” shall be deemed to be a Group A Obligor solely for the purposes of determining the “Concentration Reserve Percentage”.

“*Group Agent*” means each Person acting as agent on behalf of a Group and designated as the Group Agent for such Group on the signature pages to this Agreement or any other Person who becomes a party to this Agreement as a Group Agent for any Group pursuant to an Assumption Agreement, an Assignment and Acceptance Agreement or otherwise in accordance with this Agreement.

“*Group Agent’s Account*” means, with respect to any Group, the account(s) from time to time designated in writing by the applicable Group Agent to the Seller and the Servicer for purposes of receiving payments to or for the account of the members of such Group hereunder.

“*Group B Obligor*” means an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) that is not a Group A Obligor, with a short-term rating of at least: (a) “A-2” by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of “BBB+” to “A” by S&P on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, and (b) “P-2” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “Baa1” to “A2” by Moody’s on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; *provided, however*, if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by only one of such rating agencies, then such Obligor will be a “Group B Obligor” if it satisfies either clause (a) or clause (b) above; *provided, further*, that if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) receives a split rating from S&P and Moody’s and satisfies only one of clause (a) or clause (b) above, then such Obligor shall be deemed to have satisfied each of clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of “Group B Obligor” shall be deemed to be a Group B Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the “Concentration Reserve Percentage”, the “Concentration Reserve” and clause (i) of the definition of “Excess Concentration” for such Obligors, unless such deemed Obligor separately satisfies the definition of “Group A Obligor”, “Group B Obligor”, or “Group C Obligor”, in which case such Obligor shall be separately treated as a Group A Obligor, a Group B

Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors and (ii) any Obligor that is a Special Obligor that satisfies the definition of “Group B Obligor” shall be deemed to be a Group B Obligor solely for the purposes of determining the “Concentration Reserve Percentage”.

“*Group C Obligor*” means an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) that is not a Group A Obligor or a Group B Obligor, with a short-term rating of at least: (a) “A-3” by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of “BBB-” to “BBB” by S&P on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, and (b) “P-3” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “Baa3” to “Baa2” by Moody’s on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; *provided, however*, if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by only one of such rating agencies, then such Obligor will be a “Group C Obligor” if it satisfies either clause (a) or clause (b) above; *provided, further*, that if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) receives a split rating from S&P and Moody’s and satisfies only one of clause (a) or clause (b) above, then such Obligor shall be deemed to have satisfied each of clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of “Group C Obligor” shall be deemed to be a Group C Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the “Concentration Reserve Percentage”, the “Concentration Reserve” and clause (i) of the definition of “Excess Concentration” for such Obligors, unless such deemed Obligor separately satisfies the definition of “Group A Obligor”, “Group B Obligor”, or “Group C Obligor”, in which case such Obligor shall be separately treated as a Group A Obligor, a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors and (ii) any Obligor that is a Special Obligor that satisfies the definition of “Group C Obligor” shall be deemed to be a Group C Obligor solely for the purposes of determining the “Concentration Reserve Percentage”.

“*Group Commitment*” means, with respect to any Group, at any time of determination, the aggregate Commitments of all Committed Purchasers within such Group.

“*Group D Obligor*” means any Obligor that is not a Group A Obligor, Group B Obligor or Group C Obligor; *provided*, that (i) any Obligor (or its parent or majority owner, as applicable, if such Obligor is unrated) that is not rated by both Moody’s and S&P shall be a Group D Obligor and (ii) any Obligor that is a Special Obligor that satisfies the definition of “Group D Obligor” shall be deemed to be a Group D Obligor solely for the purposes of determining the “Concentration Reserve Percentage”.

“*Guaranteed Obligations*” has the meaning set forth in Section 3.01.

“*HBO Originator*” means each of Home Box Office, Inc., HBO Digital Services, Inc. and HBO Home Entertainment, Inc.

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

“Independent Director” has the meaning set forth in Section 8.03(c).

“Information Package” means a report, in substantially the form of Exhibit G.

“Initial Investment Date” means March 27, 2019.

“Initial Schedule of Sold Receivables” means the list identifying all Sold Receivables as of the Initial Investment Date, which list is attached as Schedule IV hereto.

“Insolvency Proceeding” means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors or (b) any general assignment for the benefit of creditors of a Person, composition, marshaling of assets for creditors of a Person, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in each of clauses (a) and (b) undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code.

“Insured Obligor” means any Obligor the Pool Receivables of which are insured by a Credit Insurance Policy.

“Insured Receivable” means each Receivable of an Insured Obligor for which the Outstanding Balance (when aggregated with each other Receivable owing by such Insured Obligor that was originated prior to such Receivable) is equal to or less than the then-effective maximum amount available for payments established for such Insured Obligor for all claims relating to the Insured Obligor during the related policy period under and pursuant to Eligible Credit Insurance; provided, that no Receivable shall constitute an Insured Receivable at any time the related Credit Insurance Policy shall cease to constitute Eligible Credit Insurance.

“Intended Tax Treatment” has the meaning set forth in Section 14.14.

“International Trade Laws” means all Laws relating to economic and financial sanctions, trade embargoes, export controls, customs and anti-boycott measures.

“Investment” means any funding of Capital to the Seller by a Purchaser pursuant to Sections 2.01(a), 2.02 or 2.06.

“Investment Company Act” means the Investment Company Act of 1940, as amended or otherwise modified from time to time.

“Investment Request” means a letter in substantially the form of Exhibit A hereto executed and delivered by the Seller to the Administrative Agent and the Group Agents pursuant to Section 2.02(a).

“Law” means any law(s) (including common law), constitution, statute, treaty, regulation, rule, ordinance, opinion, release, ruling, order, executive order, injunction, writ, decree, bond, judgment, authorization or approval, lien or award, or any settlement arrangement, by agreement, consent or otherwise, of any Official Body, foreign or domestic.

“LCR Security” means any commercial paper or security (other than equity securities issued to Parent or any Originator that is a consolidated subsidiary of Parent, under GAAP) within the meaning of Paragraph __.32(e)(viii) of the final rules titled Liquidity Coverage Ratio; Liquidity Risk Measurement Standards, 79 Fed. Reg. 197, 61440 et seq. (October 10, 2014).

“Liquidity Agent” means any bank or other financial institution acting as agent for the various Liquidity Providers under each Liquidity Agreement.

“Liquidity Agreement” means any agreement entered into in connection with this Agreement pursuant to which a Liquidity Provider agrees to make purchases or advances to, or purchase assets from, any Conduit Purchaser in order to provide liquidity for such Conduit Purchaser’s Capital and Notes.

“Liquidity Provider” means each bank or other financial institution that provides liquidity support to any Conduit Purchaser pursuant to the terms of a Liquidity Agreement.

“Lock-Box” means each locked postal box with respect to which a Collection Account Bank has executed an Account Control Agreement pursuant to which it has been granted exclusive access for the purpose of retrieving and processing payments made on the Receivables and which is listed on Schedule II (as such schedule may be modified from time to time in connection with the addition or removal of any Lock-Box in accordance with the terms hereof).

“Loss Horizon Ratio” means, as of the last day of any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed by dividing:

(a) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the number of most recently ended Fiscal Months equal to the sum of (i) the Unbilled and Payment Terms Component as of such day *plus* (ii) 2.20; *provided* that with respect to any fraction of a Fiscal Month, the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during such fraction of a Fiscal Month shall be calculated as a percentage of the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the applicable Fiscal Month; by

(b) the aggregate Outstanding Balance of all Pool Receivables as of such day.

“Loss Reserve Percentage” means, at any time of determination, the product (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of (a) the Stress Factor *multiplied by* (b) the highest average of the Default Ratios for any three (3) consecutive Fiscal Months during the twelve (12) most recent Fiscal Months, *multiplied by* (c) the Loss Horizon Ratio.

“Majority Group Agents” means at least two Group Agents which in their combined Groups have Committed Purchasers representing more than 50% of the aggregate Commitments of all Committed Purchasers in all Groups (or, if the Commitments have been terminated, have Purchasers representing more than 50% of the aggregate outstanding Capital held by all the Purchasers in all Groups).

“Material Adverse Effect” means relative to any Person (*provided* that if no particular Person is specified, “Material Adverse Effect” shall be deemed to be relative to the Seller, the Servicer, the Performance Guarantor and the Originators, taken as a whole), a material adverse effect on (a) the financial condition, properties, assets, liabilities, business or results of operations of such Person and its Subsidiaries, taken as a whole, (b) the material rights and remedies of the Administrative Agent or any Purchaser under this Agreement or any other Transaction Document, (c) the ability of the such Person to perform its obligations under this Agreement or any other Transaction Document to which it is a party, (d) the validity or enforceability of this Agreement or any other Transaction Document, or the validity, enforceability, value or collectability of any material portion of the Pool Receivables, or (e) the status, perfection, enforceability or priority of the Administrative Agent’s ownership or security interest in the Sold Assets or Seller Collateral.

“Merger” has the meaning specified in the Merger Agreement.

“Merger Agreement” means the Agreement and Plan of Merger, dated as of February 27, 2026 (as in effect on the Fourth Amendment Effective Date and including the annexes, exhibits, schedules and all related documents), by and among Discovery, Paramount Skydance Corporation and Prince Sub Inc., a Delaware corporation, as the same is in effect on the Fourth Amendment Effective Date and as amended, supplemented or otherwise modified from time to time in a manner not materially adverse to the Purchasers.

“Minimum Dilution Reserve Percentage” means, at any time of determination, the product (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of (a) the average of the Dilution Ratios for the twelve (12) most recent Fiscal Months, multiplied by (b) the Dilution Horizon Ratio.

“Modified Days’ Sales Outstanding” means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to: (a) the average of the Adjusted Receivables Pool Balance as of the last day of each of the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (b) an amount equal to (i) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (ii) 90.

“Monthly Settlement Date” means the 25th day of each calendar month (or if such day is not a Business Day, the next occurring Business Day).

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto that is a nationally recognized statistical rating organization.

“Multiple Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Parent or any ERISA Affiliate and at least one Person other than the Parent and the ERISA Affiliates or (b) was so maintained and in respect of which the Parent or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

“Net Receivables Pool Balance” means, at any time of determination: (a) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool, *minus* (b) the Excess Concentration.

“Notes” means short-term promissory notes issued, or to be issued, by any Conduit Purchaser to fund its investments in accounts receivable or other financial assets.

“NZD” means the lawful money of New Zealand.

“Obligor” means, with respect to any Receivable, the Person obligated to make payments pursuant to the Contract relating to such Receivable.

“Obligor Percentage” means, at any time of determination, for each Obligor, a fraction, expressed as a percentage, (a) the numerator of which is the aggregate Outstanding Balance of the Eligible Receivables of such Obligor and its Affiliates *less* the amount (if any) then included in the calculation of Excess Concentration with respect to such Obligor and its Affiliates and (b) the denominator of which is the aggregate Outstanding Balance of all Eligible Receivables at such time.

“OFAC” means the U.S. Department of Treasury’s Office of Foreign Assets Control.

“Official Body” means the government of the United States of America or of 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) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Originator” and *“Originators”* means the “Originators” as set forth in the Purchase and Sale Agreement, as the same may be modified from time to time by adding new Originators or removing Originators, in each case pursuant to the terms of the Purchase and Sale Agreement.

“Other Connection Taxes” means, with respect to any Affected Person, Taxes imposed as a result of a present or former connection between such Affected Person and the jurisdiction imposing such Tax (other than connections arising from such Affected Person having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Transaction Document, or sold or assigned an interest in any Capital or Transaction Document).

“Other Seller” has the meaning set forth in Section 5.01(f).

“Other Taxes” means any and all present or future stamp or documentary Taxes or any other excise or property Taxes, charges or similar levies or fees arising from any payment made hereunder or from the execution, delivery, filing, recording or enforcement of, or otherwise in respect of, this Agreement, the other Transaction Documents and the other documents or agreements to be delivered hereunder or thereunder.

“Outstanding Balance” means, at any time of determination, with respect to any Receivable, the Dollar Equivalent of the then outstanding principal balance thereof.

“Paramount Skydance Corporation” means Paramount Skydance Corporation, a Delaware corporation.

“Parent” means the Performance Guarantor.

“Parent Group” has the meaning set forth in Section 8.03(c).

“Parent Senior Credit Agreement” means that certain Credit Agreement, dated as of June 9, 2021 (as amended, supplemented or otherwise modified from time to time), among Discovery Communications, LLC, certain wholly-owned subsidiaries of Discovery Communications, LLC, Warner Bros. Discovery, Inc. (f/k/a Discovery, Inc.), as Facility Guarantor, Scripps Networks Interactive, Inc., as subsidiary guarantor, the lenders from time to time party thereto and Bank of America, N.A., as administrative agent, swing line lender and L/C issuer.

“Participant” has the meaning set forth in Section 14.03(e).

“Participant Register” has the meaning set forth in Section 14.03(f).

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

“PATRIOT Act” has the meaning set forth in Section 14.15.

“PBGC” means the Pension Benefit Guaranty Corporation, or any successor thereto.

“Percentage” means, at any time of determination, with respect to any Committed Purchaser, a fraction (expressed as a percentage), (a) the numerator of which is (i) prior to the termination of all Commitments hereunder, its Commitment at such time or (ii) if all Commitments hereunder have been terminated, the aggregate outstanding Capital of all Purchasers in such Committed Purchaser’s Group at such time and (b) the denominator of which is (i) prior to the termination of all Commitments hereunder, the aggregate Commitments of all Committed Purchasers at such time or (ii) if all Commitments hereunder have been terminated, the Aggregate Capital at such time.

“Performance Guarantor” means (a) prior to the satisfaction of Section 8.05, Discovery, and (b) upon and after the satisfaction of Section 8.05, Paramount Skydance Corporation.

“Performance Guaranty” means (a) prior to the satisfaction of Section 8.05, the Performance Guaranty, dated as of April 7, 2022, by Warner Bros. Discovery, Inc. (f/k/a Discovery, Inc.) in favor of the Administrative Agent for the benefit of the Secured Parties, and (b) upon and after the satisfaction of Section 8.05, the Performance Guaranty entered into by Paramount Skydance Corporation in favor of the Administrative Agent for the benefit of the Secured Parties in accordance with Section 8.05.

“Permitted Investments” means

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the U.S. (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the U.S.), in each case maturing within one year from the date of acquisition thereof;

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

(c) investments in certificates of deposit, bankers’ acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the U.S. or any state thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

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

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

"Permitted Liens" means all liens attaching to specific motion pictures or television programming, created solely for the purpose of securing obligations to producers, distributors, exhibitors or other participants of such programming, in each case, incurred in the ordinary course of business in connection with the production, acquisition, distribution, or exhibition of such programming.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Official Body or other entity.

"PINACLE" means PNC's PINACLE® credit management service and any and all services and systems provided or used in connection therewith, and any similar or replacement electronic credit administration services implemented by PNC.

"PINACLE Agreement" means a separate written agreement between Borrower and PNC regarding PINACLE, and any amendments, modifications or replacements thereof.

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

"Plan" means a Single Employer Plan or a Multiple Employer Plan.

"Pledged Deposit Account" means that certain deposit account number 3009097279 maintained with PNC Bank, National Association in the name of the Seller which shall at all times be subject to the control of and a first priority perfected security interest in favor of the Administrative Agent.

"Pledged Investment Account" means that certain securities account number 1107001054 maintained with PNC Capital Markets LLC in the name of the Seller which shall at all times be subject to the control of and a first priority perfected security interest in favor of the Administrative Agent.

"PNC" has the meaning set forth in the preamble to this Agreement.

"Pool Receivable" means a Receivable in the Receivables Pool. For the avoidance of doubt, the Pool Receivables shall include Sold Receivables and Unsold Receivables.

"Portion of Capital" means, with respect to any Purchaser and its related Capital, the portion of such Capital being funded or maintained by such Purchaser by reference to a particular interest rate basis.

"Program Support Agreement" means and includes any Liquidity Agreement and any other agreement entered into by any Program Support Provider providing for: (a) the issuance of one or more letters of credit for the account of any Conduit Purchaser, (b) the issuance of one or more surety bonds for which any Conduit Purchaser is obligated to reimburse the applicable Program Support Provider for any drawings thereunder, (c) the sale by any Conduit Purchaser to any Program Support Provider of any Capital (or portions thereof or participation interest therein)

maintained by such Conduit Purchaser and/or (d) the making of loans and/or other extensions of credit to any Conduit Purchaser in connection with such Conduit Purchaser's receivables-securitization program contemplated in this Agreement, together with any letter of credit, surety bond or other instrument issued thereunder.

"Program Support Provider" means and includes, with respect to any Conduit Purchaser, any Liquidity Provider and any other Person (other than any customer of such Conduit Purchaser) now or hereafter extending credit or having a commitment to extend credit to or for the account of, or to make purchases from, such Conduit Purchaser pursuant to any Program Support Agreement.

"Purchase and Sale Agreement" means the Purchase and Sale Agreement, dated as of the Closing Date, among the Servicer, the Originators, and the Seller.

"Purchase and Sale Termination Event" has the meaning set forth in the Purchase and Sale Agreement.

"Purchaser Party" means each Purchaser, the Administrative Agent and each Group Agent.

"Purchasers" means the Conduit Purchasers and the Committed Purchasers.

"Rating Agency" mean each of S&P, Fitch and Moody's (and/or each other rating agency then rating the Notes of any Conduit Purchaser).

"Receivable" means any right to payment of a monetary obligation, whether or not earned by performance, owed to any Originator or the Seller (as assignee of an Originator), whether constituting an account, chattel paper, payment intangible, instrument or general intangible, in each instance arising in connection with the sale of goods that have been or are to be sold, the licensing of property that has been or will be licensed, or for services rendered or to be rendered, in each case, by an Originator to an Obligor, and includes, without limitation, the obligation to pay any service charges, finance charges, interest, fees and other charges with respect thereto; *provided, however*, no Excluded Receivable shall constitute a Receivable. Any such right to payment arising from any one transaction, including, without limitation, any such right to payment represented by an individual invoice or agreement, shall constitute a Receivable separate from a Receivable consisting of any such right to payment arising from any other transaction.

"Receivables Pool" means, at any time of determination, all of the then outstanding Receivables (including both Sold Receivables and Unsold Receivables) transferred (or purported to be transferred) to the Seller pursuant to the Purchase and Sale Agreement, in each case prior to the Termination Date.

"Register" has the meaning set forth in Section 14.03(c).

“Related Committed Purchaser” means with respect to any Conduit Purchaser, each Committed Purchaser listed as such for each Conduit Purchaser as set forth on the signature pages of this Agreement or in any Assumption Agreement.

“Related Conduit Purchaser” means, with respect to any Committed Purchaser, each Conduit Purchaser which is, or pursuant to any Assignment and Acceptance Agreement or Assumption Agreement or otherwise pursuant to this Agreement becomes, included as a Conduit Purchaser in such Committed Purchaser’s Group, as designated on its signature page hereto or in such Assignment and Acceptance Agreement, Assumption Agreement or other agreement executed by such Committed Purchaser, as the case may be.

“Related Rights” means the “Related Rights” as defined in Section 1.1 of the Purchase and Sale Agreement.

“Related Security” means, with respect to any Receivable:

(a) all of the Seller’s and each Originator’s interest in any goods (including Returned Goods), and documentation of title evidencing the shipment or storage of any goods (including Returned Goods), the sale of which gave rise to such Receivable;

(b) all instruments and chattel paper that may evidence such Receivable;

(c) all other security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all UCC financing statements or similar filings relating thereto;

(d) solely to the extent applicable necessary to irrevocably collect and enjoy the benefits of such Receivable, all of the Seller’s and each Originator’s rights, interests and claims under the related Contracts and all supporting obligations, guaranties, indemnities, letters of credit (including any letter-of-credit rights), insurance and other agreements (including the related Contract) or arrangements of whatever character from time to time supporting or securing payment of such Receivable or otherwise relating to such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, subject, in each case, to any applicable terms of such Contract that may adversely impact the sale or assignment of such Contract (as opposed to the sale of the assignment of the Receivables or other proceeds arising thereunder);

(e) all rights, remedies, powers, privileges, title and interest (but not obligations) in and to each Lock-Box and all Collection Accounts, into which any Collections or other proceeds with respect to such Receivables may be deposited, and any related investment property acquired with any such Collections or other proceeds (as such term is defined in the applicable UCC);

(f) all of the Seller’s rights, interests and claims under the Purchase and Sale Agreement and the other Transaction Documents to the extent applicable; and

(g) all Collections and other proceeds (as defined in the UCC) of any of the foregoing;

provided, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

“Release” has the meaning set forth in Section 4.01(a).

“Replacement Person” has the meaning set forth in Section 5.01(g).

“Reportable Compliance Event” means that: (a) any Covered Entity becomes a Sanctioned Person, or is charged by indictment, criminal complaint, or similar charging instrument, arraigned, custodially detained, penalized or the subject of an assessment for a penalty, by, or enters into a settlement with an Official Body in connection with any Anti-Corruption Law, Anti-Money Laundering Law or Sanctions, or any predicate crime to U.S. money laundering crimes (18 U.S.C. §§ 1956, 1957); (b) any Covered Entity engages in a transaction that has caused or would cause any party to this Agreement (including any Purchaser Party, and any underwriter, advisor, investor, or otherwise) to be in violation of any applicable Sanctions or Anti-Corruption Law, including a Covered Entity’s use of any proceeds of the Investment hereunder to directly or indirectly fund any activities or business of, with, or for the benefit of any Person that is a Sanctioned Person, or to fund any activities or business of or in any Sanctioned Jurisdiction in violation of applicable Sanctions; (c) any Sold Asset or Seller Collateral qualifies as Blocked Property; or (d) any Covered Entity otherwise violates any of the Sanctions or Anti-Corruption Law-specific representations and covenants herein.

“Representatives” has the meaning set forth in Section 14.06(c).

“Required Capital Amount” means \$240,000,000.

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

“Restatement Effective Date” means August 30, 2022.

“Restricted Payments” has the meaning set forth in Section 8.01(r).

“Returned Goods” means all right, title and interest in and to returned, repossessed or foreclosed goods and/or merchandise the sale of which gave rise to a Receivable; *provided* that such goods shall no longer constitute Returned Goods after a Deemed Collection has been deposited in a Collection Account with respect to the full Outstanding Balance of the related Receivables.

“S&P” means S&P Global Ratings, an S&P Global business, and any successor thereto that is a nationally recognized statistical rating organization.

“Sanctioned Person” means any Person that is (a) located in, organized under the laws of, or ordinarily resident in a Sanctioned Jurisdiction; (b) identified on any sanctions-related list maintained by any Compliance Authority; or (c) owned 50% or more, in the aggregate, directly or indirectly by, controlled by, or acting for, on behalf of, or at the direction of, one or more Persons described in clauses (a) or (b) above.

“Sanctioned Jurisdiction” means, at any time, a country, area, territory, or jurisdiction that is the subject or target of comprehensive U.S. sanctions (as of the Second Amendment Effective Date, Cuba, Iran, North Korea, Syria and the Crimea, Donetsk People’s Republic, and Luhansk People’s Republic regions of Ukraine).

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union or His Majesty’s Treasury of the United Kingdom.

“Seller-Related Parties” means the Seller, the Servicer, the Originators, the Parent and the Performance Guarantor.

“Scheduled Termination Date” means June ~~18, 2026~~11, 2027.

“SEC” means the U.S. Securities and Exchange Commission or any governmental agencies substituted therefor.

“Second Amendment Effective Date” means June 28, 2024.

“Secured Parties” means each Purchaser Party, each Seller Indemnified Party and each Affected Person.

“Securities Act” means the Securities Act of 1933, as amended or otherwise modified from time to time.

“SEK” means the lawful money of Sweden.

“Seller” has the meaning specified in the preamble to this Agreement.

“Seller Collateral” has the meaning set forth in Section 3.09.

“Seller Guaranty” has the meaning set forth in Section 3.01.

“Seller Indemnified Amounts” has the meaning set forth in Section 13.01(a).

“Seller Indemnified Party” has the meaning set forth in Section 13.01(a).

“Seller Obligation Final Due Date” means (i) the date that is one hundred eighty (180) days following the occurrence of the Scheduled Termination Date or (ii) such earlier date on which the Aggregate Capital becomes due and payable pursuant to Section 10.01.

“Seller Obligations” means all present and future indebtedness, reimbursement obligations, and other liabilities and obligations (howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or due or to become due) of the Seller to any Purchaser Party, Seller Indemnified Party and/or any Affected Person, arising under or in connection with this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby, and shall include, without limitation, all obligations of the Seller in respect of the Seller Guaranty and the payment of all Capital, Yield, Fees and other amounts due or to become due under the Transaction Documents (whether in respect of fees, costs, expenses, indemnifications or otherwise), including, without limitation, interest, fees and other obligations that accrue after the commencement of any Insolvency Proceeding with respect to the Seller (in each case whether or not allowed as a claim in such proceeding).

“Seller’s Net Worth” means, at any time of determination, an amount equal to (i) the sum of (A) the Outstanding Balance of all Pool Receivables at such time, *plus* (B) all cash then held in the Collection Accounts maintained in the name of the Seller other than any Excluded Collection Account, *minus* (ii) the sum of (A) the Aggregate Capital at such time, *plus* (B) the Aggregate Yield at such time, *plus* (C) the aggregate accrued and unpaid Fees at such time, *plus* (D) the aggregate outstanding principal balance of all Subordinated Notes at such time, *plus* (E) the aggregate accrued and unpaid interest on all Subordinated Notes at such time, *plus* (F) without duplication, the aggregate accrued and unpaid other Seller Obligations at such time.

“Servicer” has the meaning set forth in the preamble to this Agreement.

“Servicer Indemnified Amounts” has the meaning set forth in Section 13.02(a).

“Servicer Indemnified Party” has the meaning set forth in Section 13.02(a).

“Servicing Fee” means the fee referred to in Section 9.06(a) of this Agreement.

“Servicing Fee Rate” means the rate referred to in Section 9.06(a) of this Agreement.

“Settlement Date” means with respect to any Portion of Capital for any Yield Period or any Yield or Fees, (i) so long as no Event of Termination has occurred and is continuing and the Termination Date has not occurred, the Monthly Settlement Date and (ii) on and after the

Termination Date or if an Event of Termination has occurred and is continuing, each day selected from time to time by the Administrative Agent (with the consent or at the direction of the Majority Group Agents) (it being understood that the Administrative Agent (with the consent or at the direction of the Majority Group Agents) may select such Settlement Date to occur as frequently as daily), or, in the absence of such selection, the Monthly Settlement Date.

“Single Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Parent or any ERISA Affiliate and no Person other than the Parent and the ERISA Affiliates or (b) was so maintained and in respect of which the Parent or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

“SOFR” shall mean, for any day, a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

~~*“SOFR Adjustment” shall mean an interest rate per annum equal to (a) with respect to Daily 1M SOFR or the Term SOFR Rate for a 1-month Tranche Period, ten basis points (0.10%) and (b) with respect to the Term SOFR Rate for a 3-month Tranche Period, fifteen basis points (0.15%).*~~

“SOFR Floor” means a rate of interest per annum equal to 0 basis points (0.00%).

“SOFR Rate” means, at any time of determination, with respect to any Purchaser, Daily 1M SOFR or the Term SOFR Rate, as determined pursuant to Section 2.05, provided, however, that the SOFR Rate applicable to any Term SOFR Tranche funded pursuant to an Investment that occurs other than on a Monthly Settlement Date shall be Daily 1M SOFR for each day during the initial Yield Period applicable to such Term SOFR Tranche from the date such Investment is made pursuant to Section 2.01 until the next occurring Monthly Settlement Date.

“Sold Assets” has the meaning set forth in Section 2.01(b).

“Sold Receivables” means, collectively, (i) the Pool Receivables specified as “Sold Receivables” on the Initial Schedule of Sold Receivables and (ii) all additional Pool Receivables specified as “Sold Receivables” on the Investment Requests delivered with respect to all subsequent Investments made hereunder.

“Solvent” means, with respect to any Person and as of any particular date, (i) the present fair market value (or present fair saleable value) of the assets of such Person is not less than the total amount required to pay the probable liabilities of such Person on its total existing debts and liabilities (including contingent liabilities) as they become absolute and matured, (ii) such Person is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business, (iii) such Person is not incurring debts or liabilities beyond its ability to pay such debts and liabilities as they mature and (iv) such Person is not engaged in any business or transaction, and is not about to engage in any business or transaction, for which its property would constitute unreasonably small capital

after giving due consideration to the prevailing practice in the industry in which such Person is engaged.

“Special Obligor” has the meaning set forth in the definition of Concentration Percentage.

“Sponsor” means Turner.

“Spot Rate” means, on any day, with respect to the determination of the Dollar Equivalent of any amount denominated in Foreign Currency, the exchange rate at which such Foreign Currency may be exchanged into Dollars as set forth at approximately 11:00 a.m. New York City time, on such day as published on the Bloomberg Key Cross-Currency Rates Page for such Foreign Currency; *provided* that in the event that such rate does not appear on any Bloomberg Key Cross Currency Rates Page, the Spot Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be selected by the Administrative Agent and is reasonably satisfactory to the Seller, or, in the absence of such an agreement, such Spot Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 11:00 a.m. New York City time, on such date for the purchase of Dollars with the applicable Foreign Currency for delivery two (2) Business Days later; *provided*, that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

“Stress Factor” means 2.5.

“Structuring Agent” means PNC Capital Markets LLC, a Pennsylvania limited liability company.

“Sub-Servicer” has the meaning set forth in Section 9.01(d).

“Subject Originator” means, at any time of determination, any Subsidiary (organized under the laws of the United States or any state thereof) of Parent for which the aggregate Outstanding Balance of all Receivables of such Subsidiary of Parent does not exceed 3.0% of the aggregate Outstanding Balance of all Receivables in the Receivables Pool at such time.

“Subordinated Note” has the meaning set forth in Section 3.1(b) of the Purchase and Sale Agreement.

“Subsidiary” means, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock of each class or other interests having ordinary voting power (other than stock or other interests having such power only by reason of the happening of a contingency) to elect a majority of the Board of Directors or other managers of such entity are at the time owned, or management of which is otherwise controlled: (a) by such Person, (b) by one or more Subsidiaries of such Person or (c) by such Person and one or more Subsidiaries of such Person.

“Sustainability Agent” means PNC Capital Markets LLC, a Pennsylvania limited liability company.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority and all interest, penalties, additions to tax and any similar liabilities with respect thereto.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Rate” means with respect to any Tranche Period, the interest rate per annum equal to the Term SOFR Reference Rate for a tenor comparable to such Tranche Period, as such rate is published by the Term SOFR Administrator on the day (the *“Term SOFR Determination Date”*) that is two (2) Business Days prior to the first day of such Tranche Period; provided, however, that with respect to the initial Tranche Period for the Capital of an Investment made on a date that is not a Monthly Settlement Date, the Term SOFR Rate shall be the interest rate per annum equal to Daily 1M SOFR for each day during such initial Tranche Period from the date that such Investment is made pursuant to Section 2.01 until the next occurring Monthly Settlement Date. If the Term SOFR Reference Rate for the applicable tenor has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (New York City time) on the Term SOFR Determination Date, then the Term SOFR Reference Rate, for purposes of clause (A) in the preceding sentence, shall be the Term SOFR Reference Rate for such tenor on the first Business Day preceding such Term SOFR Determination Date for which such Term SOFR Reference Rate for such tenor was published in accordance herewith, so long as such first preceding Business Day is not more than three (3) Business Days prior to such Term SOFR Determination Date. If the Term SOFR Rate, determined as provided above, would be less than the SOFR Floor, then the Term SOFR Rate shall be deemed to be the SOFR Floor. The Term SOFR Rate shall be adjusted automatically without notice to the Seller on and as of the first day of each Tranche Period

“Term SOFR Reference Rate” shall mean the forward-looking term rate based on SOFR.

“Term SOFR Tranche” means any Capital (or portion thereof) accruing Yield at the Term SOFR Rate.

“Termination Date” means the earliest to occur of (a) the Scheduled Termination Date, (b) the date on which the “Termination Date” is declared or deemed to have occurred under Section 10.01 and (c) the date selected by the Seller on which all Commitments have been reduced to zero pursuant to Section 2.02(e).

“Total Reserves” means, at any time of determination, an amount equal to (A) the Net Receivables Pool Balance at such time *times* (B) the sum of: (x) the Yield Reserve Percentage, *plus* (y) the greater of (I) the sum of the Concentration Reserve Percentage *plus* the Minimum Dilution Reserve Percentage and (II) the sum of the Loss Reserve Percentage *plus* the Dilution Reserve Percentage *plus* (z) the FX Reserve.

“Tranche Period” means, with respect to any Term SOFR Tranche, a period of one or three months selected by the Seller pursuant to Section 2.05. Each Tranche Period shall commence on a Monthly Settlement Date and end on (but not including) the Monthly Settlement Date occurring one or three calendar months thereafter, as selected by the Seller pursuant to Section 2.05; *provided, however*, that if the date any Capital (or portion thereof) is funded pursuant to an Investment made on a date that is not a Monthly Settlement Date pursuant to Section 2.01, the initial Tranche Period for such Capital (or such portion thereof) shall commence on the date such Investment is made pursuant to Section 2.01 and end on the next Monthly Settlement Date occurring after the day in the applicable succeeding calendar month which corresponds numerically to the beginning day of such initial Tranche Period; *provided, further*, that if any Tranche Period would end after the Termination Date, such Tranche Period (including a period of one day) shall end on the Termination Date.

“Transaction Documents” means this Agreement, the Purchase and Sale Agreement, the GDS Assignment Agreement, the Account Control Agreements, the Fee Letter, each Subordinated Note, the Performance Guaranty, any Credit Insurance Policy relating to any Pool Receivable then being reported in an Information Package (or being included in the Net Receivables Pool Balance) as an Insured Receivable and all other certificates, instruments, UCC financing statements, reports, notices, agreements and documents executed or delivered under or in connection with this Agreement.

“Turner” has the meaning specified in the preamble to this Agreement.

“Turner Originator” means each of Turner Broadcasting System, Inc., AC Holdings, Inc., Bleacher Report, Inc., Cable News Network, Inc., Cartoon Interactive Group, Inc., CNN Interactive Group, Inc., Courtroom Television Network, LLC, Great Big Story, LLC, TBS Interactive Group, Inc., The Cartoon Network, Inc., TNT Interactive Group, Inc., Turner Classic Movies, Inc., Turner Network, Television, Inc., Turner Sports, Inc. and Turner Sports Interactive, Inc.

“UCC” means the Uniform Commercial Code as from time to time in effect in the applicable jurisdiction.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unbilled and Payment Terms Component” means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to the ratio of (a) the Modified Days Sales Outstanding as of such date *divided by* (b) 30.

“Unbilled Receivable” means, at any time, any Receivable as to which the invoice or bill with respect thereto has not yet been sent to the Obligor thereof.

“Unmatured Event of Termination” means an event that but for notice or lapse of time or both would constitute an Event of Termination.

“Unsold Receivables” means, at any time, all Pool Receivables that are not then Sold Receivables.

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

“U.S. Obligor” means an Obligor that is a corporation or other business organization and is organized under the laws of the United States of America (or of a United States of America territory, district, state, commonwealth, or possession, including, without limitation, Puerto Rico and the U.S. Virgin Islands) or any political subdivision thereof.

“U.S. Tax Compliance Certificate” has the meaning set forth in Section 5.03(f)(ii)(B)(3).

“Volcker Rule” means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

“Voting Stock” means Capital Stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right to so vote has been suspended by the happening of such a contingency.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

“Yield” means an amount payable to each Purchaser in respect of its Capital accruing on each day when such Purchaser has Capital outstanding, which amount for any Purchaser’s Capital (or portion thereof) for any day during any Yield Period (or portion thereof) is the amount accrued on such Capital (or portion thereof) during such Yield Period (or portion thereof) in accordance with Section 2.03(b).

“*Yield Period*” means, with respect to any Purchaser’s Capital (or any portion thereof), (a) before the Termination Date: (i) initially, the period commencing on the date of the Investment pursuant to which such Capital (or portion thereof) is funded by a Purchaser to the Seller pursuant to Section 2.01 and ending on (but not including) the next Monthly Settlement Date and (ii) thereafter, each period commencing on such Monthly Settlement Date and ending on (but not including) the next Monthly Settlement Date and (b) on and after the Termination Date, such period (including a period of one day) as shall be selected from time to time by the Administrative Agent (with the consent or at the direction of the Majority Group Agents) or, in the absence of any such selection, each period of 30 days from the last day of the preceding Yield Period.

“*Yield Rate*” means, for any day in any Yield Period for any Purchaser’s Capital (or any portion thereof) the applicable Bank Rate;

provided, however, that the “Yield Rate” for any Purchaser’s Capital (or any portion thereof) on any day while an Unmatured Event of Termination or Event of Termination has occurred and is continuing shall be an interest rate per annum equal to the sum of 2.0% per annum plus the greater of (i) the Base Rate in effect on such day, and (ii) the Term SOFR Rate for a Tranche Period of one month ~~plus the applicable SOFR Adjustment~~ with respect to such Purchaser for such Yield Period; *provided, further*, that no provision of this Agreement shall require the payment or permit the collection of Yield in excess of the maximum permitted by Applicable Law; and *provided, further*, that Yield for any Capital shall not be considered paid by any distribution to the extent that at any time all or a portion of such distribution is rescinded or must otherwise be returned for any reason.

“*Yield Reserve Percentage*” means at any time of determination, the result (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of the following:

$$\frac{1.50 \times \text{DSO} \times (\text{BR} + \text{the Servicing Fee Rate})}{360}$$

where:

BR = the Base Rate at such time; and

DSO = the Days’ Sales Outstanding for the most recently ended Fiscal Month.

SCHEDULE I
COMMITMENTS

SCHEDULE I

SCHEDULE II

LOCK-BOXES, COLLECTION ACCOUNTS AND COLLECTION ACCOUNT BANKS

SCHEDULE III

NOTICE ADDRESSES

SCHEDULE IV

INITIAL SCHEDULE OF SOLD RECEIVABLES

SCHEDULE V

[RESERVED]

SCHEDULE V

SCHEDULE VI
SPECIAL OBLIGORS

**FIFTH AMENDMENT TO
FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT**

This FIFTH AMENDMENT TO FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT (this “*Amendment*”), dated as of July 17, 2026, but effective as of June 30, 2026, is by and among WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC (formerly known as AT&T Receivables Funding II, LLC), a Delaware limited liability company, as Seller (together with its successors and assigns, the “*Seller*”); TURNER BROADCASTING SYSTEM, INC., a Delaware corporation, in its individual capacity (“*Turner*”) and as initial Servicer (in such capacity, together with its successors and assigns in such capacity, the “*Servicer*”); the Persons party hereto as Committed Purchasers (the “*Committed Purchasers*”), Conduit Purchasers (the “*Conduit Purchasers*” and, together with the Committed Purchasers, the “*Purchasers*”), and Group Agents (the “*Group Agents*”); PNC BANK, NATIONAL ASSOCIATION (“*PNC*”), as Administrative Agent (in such capacity together with its successors and assigns in such capacity, the “*Administrative Agent*”); and PNC CAPITAL MARKETS LLC, a Pennsylvania limited liability company, as Structuring Agent (the “*Structuring Agent*”) and as Sustainability Agent (the “*Sustainability Agent*”).

W I T N E S S E T H:

WHEREAS, the Seller, the Servicer, the Purchasers, the Group Agents, the Administrative Agent, and the Structuring Agent are party to that certain Fourth Amended and Restated Receivables Purchase Agreement dated as of August 30, 2022 (as amended, supplemented, waived or otherwise modified from time to time, the “*Receivables Purchase Agreement*”).

WHEREAS, the Seller, the Servicer, the Purchasers, the Group Agents, the Administrative Agent, the Structuring Agent, and the Sustainability Agent hereby agree to make certain amendments, as permitted by Section 14.01 of the Receivables Purchase Agreement, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged by the parties, the Seller, the Servicer, the Purchasers, the Group Agents, the Administrative Agent, and the Structuring Agent hereto agree as follows:

SECTION 1. DEFINITIONS. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Receivables Purchase Agreement.

SECTION 2. AMENDMENTS. Subject to the satisfaction of the conditions precedent set forth in Section 4 below, the parties hereto agree that the Receivables Purchase Agreement shall be amended with text marked in underline (e.g., addition or addition) indicating additions to the Receivables Purchase Agreement and with text marked in strikethrough (e.g., ~~deletion~~ or ~~deletion~~) indicating deletions to the Receivables Purchase Agreement as set forth in Exhibit A attached hereto.

SECTION 3. REPRESENTATIONS OF THE SELLER AND THE SERVICER. Each of the Seller and the Servicer hereby represent and warrant to the parties hereto that as of the date hereof each of the representations and warranties contained in Article VII of the Receivables Purchase Agreement and any other Transaction Documents to which it is a party are true and correct in all material respects as of the date hereof and after giving effect to this Amendment (except to the extent that such representations and warranties expressly refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date).

Each of the Seller and the Servicer have the power and authority to execute, deliver and perform this Amendment and the other Transaction Documents (if any) called for hereby. The Seller and the Servicer have taken all necessary action (including, without limitation, obtaining approval of its equity holders, if necessary) to authorize its execution, delivery and performance of this Amendment and the other Transaction Documents (if any) called for hereby. This Amendment and the other Transaction Documents (if any) called for hereby have been duly executed and delivered by each of the Seller and the Servicer and constitute the legal, valid and binding obligation of the Seller and the Servicer, enforceable against them in accordance with their terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditor rights generally or by equitable principles relating to enforceability. The execution, delivery and performance of, and the consummation of the transactions contemplated by, this Amendment and the other Transaction Documents to which each of the Seller and Servicer is a party, and the fulfillment of the terms hereof and thereof, will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under its organizational documents or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument to which each of the Seller and Servicer is a party or by which it or any of its properties is bound, (ii) result in the creation or imposition of any Adverse Claim upon any of the Sold Assets or Seller Collateral pursuant to the terms of any such indenture, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument other than the Receivables Purchase Agreement and the other Transaction Documents or (iii) conflict with or violate any Applicable Law.

SECTION 4. CONDITIONS PRECEDENT. This Amendment shall become effective and be deemed effective as of the date first written above upon the satisfaction or waiver of the following conditions precedent:

- (a) the Administrative Agent shall have received a fully executed counterpart of this Amendment from each of the other parties hereto;
- (b) the Performance Guarantor shall have executed and delivered to the Administrative Agent a Reaffirmation, Acknowledgement, and Consent of Performance Guarantor;
- (c) each representation and warranty of the Seller and the Servicer contained herein or in any other Transaction Document (after giving effect to this Amendment) shall be true and correct in all material respects (except to the extent that such

representations and warranties expressly refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date); and

(d) no Unmatured Event of Termination or Event of Termination shall have occurred and be continuing.

SECTION 5. COUNTERPARTS. This Amendment may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart hereof by facsimile or other electronic means shall be equally effective as delivery of an originally executed counterpart.

SECTION 6. SEVERABILITY. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 7. GOVERNING LAW AND JURISDICTION. Sections 14.07, 14.10 and 14.11 of the Receivables Purchase Agreement are incorporated in this Amendment by reference as if such provisions were set forth herein *mutatis mutandis*.

SECTION 8. HEADINGS. The headings of this Amendment are provided solely for convenience of reference and shall not affect the meaning or interpretation of any provision of this Amendment.

[SIGNATURES APPEAR ON FOLLOWING PAGES.]

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

WARNER BROS. DISCOVERY RECEIVABLES
FUNDING, LLC

By: /s/ Fraser Woodford
Name: Fraser Woodford
Title: Executive Vice President and
Treasurer

TURNER BROADCASTING SYSTEM, INC.,
as the Servicer

By: /s/ Fraser Woodford
Name: Fraser Woodford
Title: Executive Vice President and
Treasurer

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: /s/ Imad Naja
Name: Imad Naja
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as Group Agent for the PNC Group

By: /s/ Imad Naja
Name: Imad Naja
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Imad Naja
Name: Imad Naja
Title: Senior Vice President

PNC CAPITAL MARKETS LLC,
as Structuring Agent and as Sustainability
Agent

By: /s/ Imad Naja
Name: Imad Naja
Title: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Group Agent for the Wells Group

By: /s/ Taylor Cloud
Name: Taylor Cloud
Title: Executive Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Taylor Cloud
Name: Taylor Cloud
Title: Executive Director

MIZUHO BANK, LTD.,
as Group Agent for the Mizuho Group

By: /s/ Jeremy Ebrahim
Name: Jeremy Ebrahim
Title: Managing Director

MIZUHO BANK, LTD.,
as a Committed Purchaser

By: /s/ Jeremy Ebrahim
Name: Jeremy Ebrahim
Title: Managing Director

THE TORONTO-DOMINION BANK,
as Group Agent for the Toronto-Dominion
Group

By: /s/ Brad Purkis
Name: Brad Purkis
Title: Managing Director

THE TORONTO-DOMINION BANK,
as a Committed Purchaser

By: /s/ Brad Purkis
Name: Brad Purkis
Title: Managing Director

COMPUTERSHARE TRUST COMPANY OF CANADA,
in its capacity as Trustee of BANNER TRUST,
by its Financial Services Agent, TD
SECURITIES, INC.,
as a Conduit Purchaser

By: /s/ Brad Purkis
Name: Brad Purkis
Title: Managing Director

BANCO SANTANDER, S.A., NEW YORK BRANCH,
as Group Agent for the Santander Group

By: /s/ Luis Moreno Fernandez
Name: Luis Moreno Fernandez
Title: MD

By: /s/ Nikhil Arora
Name: Nikhil Arora
Title: ED

BANCO SANTANDER, S.A., NEW YORK BRANCH,
as a Committed Purchaser

By: /s/ Luis Moreno Fernandez
Name: Luis Moreno Fernandez
Title: MD

By: /s/ Nikhil Arora
Name: Nikhil Arora
Title: ED

BANK OF AMERICA, NATIONAL ASSOCIATION,
as Group Agent for the Bank of America
Group

By: /s/ Scott Bell
Name: Scott Bell
Title: SVP

BANK OF AMERICA, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: /s/ Scott Bell
Name: Scott Bell
Title: SVP

TRUIST BANK,
as Group Agent for the Truist Bank Group

By: /s/ Paul Cornely
Name: Paul Cornely
Title: Director

TRUIST BANK,
as a Committed Purchaser

By: /s/ Paul Cornely
Name: Paul Cornely
Title: Director

THE BANK OF NOVA SCOTIA,
as a Group Agent and a Committed
Purchaser

By: /s/ Elie Silver
Name: Elie Silver
Title: Managing Director

LIBERTY STREET FUNDING LLC,
as a Conduit Purchaser

By: /s/ Kevin J. Corrigan
Name: Kevin J. Corrigan
Title: Vice President

REAFFIRMATION, ACKNOWLEDGEMENT, AND CONSENT OF PERFORMANCE GUARANTOR

The undersigned, WARNER BROS. DISCOVERY, INC. (f/k/a Discovery, Inc.), a Delaware corporation, heretofore executed and delivered to the Administrative Agent a Performance Guaranty dated as of April 7, 2022 (the "*Performance Guaranty*"). Capitalized terms used but not otherwise defined herein have the respective meanings assigned thereto in, or by reference in, the Performance Guaranty. The undersigned hereby (i) acknowledges and consents to the Fifth Amendment to Fourth Amended and Restated Receivables Purchase Agreement dated as of the date hereof, and (ii) confirms that the Performance Guaranty and all obligations of the undersigned thereunder remain in full force and effect. The undersigned further agrees that the consent of the undersigned to any other amendment or modification to the Receivables Purchase Agreement or any of the other Transaction Documents shall not be required solely as a result of this consent having been obtained. The undersigned acknowledges that the Administrative Agent is relying on the assurances provided herein in consenting to the Fifth Amendment to Fourth Amended and Restated Receivables Purchase Agreement set forth above.

Dated as of July 17, 2026.

WARNER BROS. DISCOVERY, INC.

By: /s/ Fraser Woodford

Name: Fraser Woodford

Title: Executive Vice President and Treasurer

**EXHIBIT A TO FIFTH AMENDMENT TO FOURTH AMENDED AND RESTATED RECEIVABLES
PURCHASE AGREEMENT**

(ATTACHED)

CONSENT LETTER DATED AS OF JANUARY 9, 2023
FIRST AMENDMENT DATED AS OF AUGUST 11, 2023
SECOND AMENDMENT DATED AS OF JUNE 28, 2024
THIRD AMENDMENT DATED AS OF JUNE 20, 2025
FOURTH AMENDMENT DATED AS OF JUNE 12, 2026
[FIFTH AMENDMENT DATED AS OF JULY 17, 2026](#)

FOURTH AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

Dated as of August 30, 2022

by and among

WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC,
as Seller,

THE PERSONS FROM TIME TO TIME PARTY HERETO,
as Purchasers and as Group Agents,

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent,

TURNER BROADCASTING SYSTEM, INC.,
as initial Servicer,

and

PNC CAPITAL MARKETS LLC,
as Structuring Agent and as Sustainability Agent

TABLE OF CONTENTS

SECTION	HEADING	PAGE
ARTICLE I	DEFINITIONS	1
Section 1.01.	Certain Defined Terms.....	1
Section 1.02.	Other Interpretative Matters.....	2
Section 1.04.	SOFR Notification	2
Section 1.05.	Conforming Changes Relating to SOFR.....	2
ARTICLE II	TERMS OF THE PURCHASES AND INVESTMENTS	3
Section 2.01.	Purchase Facility.....	3
Section 2.02.	Making Investments; Return of Capital.....	4
Section 2.03.	Yield and Fees.....	8
Section 2.04.	Records of Investments and Capital	8
Section 2.05.	Selection of Yield Rates and Tranche Periods.....	9 <u>8</u>
Section 2.06.	Defaulting Purchasers	9
ARTICLE III	SELLER GUARANTY	11
Section 3.01.	Guaranty of Payment	11
Section 3.02.	Unconditional Guaranty.....	11
Section 3.03.	Modifications	13 <u>12</u>
Section 3.04.	Waiver of Rights.....	13
Section 3.05.	Reinstatement.....	14
Section 3.06.	Remedies.....	14
Section 3.07.	Subrogation	15 <u>14</u>
Section 3.08.	Inducement.....	15 <u>14</u>
Section 3.09.	Security Interest	15 <u>14</u>
Section 3.10.	Further Assurances.....	16
Section 3.11.	Release of Seller Collateral and Reconveyance of Certain Sold Receivables.....	17 <u>16</u>
ARTICLE IV	SETTLEMENT PROCEDURES AND PAYMENT PROVISIONS.....	17 <u>16</u>
Section 4.01.	Settlement Procedures.....	17 <u>16</u>
Section 4.02.	Payments and Computations, Etc	20 <u>19</u>
ARTICLE V	INCREASED COSTS; FUNDING LOSSES; TAXES; ILLEGALITY AND BACK-UP SECURITY INTEREST	20
Section 5.01.	Increased Costs	20
Section 5.02.	Funding Losses	23 <u>22</u>
Section 5.03.	Taxes	23 <u>22</u>
Section 5.04.	Inability to Determine SOFR Rate; Change in Legality	28 <u>27</u>
Section 5.05.	Back-Up Security Interest.....	33 <u>32</u>

ARTICLE VI	CONDITIONS TO EFFECTIVENESS AND INVESTMENTS	34 <u>33</u>
Section 6.01.	Reserved.....	34 <u>33</u>
Section 6.02.	Conditions Precedent to All Investments.....	34 <u>33</u>
Section 6.03.	Conditions Precedent to All Releases	35 <u>34</u>
Section 6.04.	Conditions Precedent to Restatement Effective Date	36 <u>35</u>
ARTICLE VII	REPRESENTATIONS AND WARRANTIES.....	36 <u>35</u>
Section 7.01.	Representations and Warranties of the Seller	36 <u>35</u>
Section 7.02.	Representations and Warranties of the Servicer	42 <u>41</u>
ARTICLE VIII	COVENANTS.....	46 <u>45</u>
Section 8.01.	Covenants of the Seller	46 <u>45</u>
Section 8.02.	Covenants of the Servicer	56 <u>55</u>
Section 8.03.	Separate Existence of the Seller.....	62 <u>61</u>
Section 8.04.	Covenants of the Sponsor	66 <u>65</u>
<u>Section 8.05.</u>	<u>Post-Merger Covenant</u>	<u>67</u>
ARTICLE IX	ADMINISTRATION AND COLLECTION OF RECEIVABLES	68 <u>67</u>
Section 9.01.	Appointment of the Servicer	68 <u>67</u>
Section 9.02.	Duties of the Servicer.....	69 <u>68</u>
Section 9.03.	Collection Account Arrangements.....	70 <u>69</u>
Section 9.04.	Enforcement Rights	70
Section 9.05.	Responsibilities of the Seller	72 <u>71</u>
Section 9.06.	Servicing Fee	72
Section 9.07.	Credit Insurance Policy	73 <u>72</u>
ARTICLE X	EVENTS OF TERMINATION.....	75 <u>74</u>
Section 10.01.	Events of Termination.....	75 <u>74</u>
ARTICLE XI	THE ADMINISTRATIVE AGENT	79 <u>78</u>
Section 11.01.	Authorization and Action.....	79 <u>78</u>
Section 11.02.	Administrative Agent's Reliance, Etc.....	79 <u>78</u>
Section 11.03.	Administrative Agent and Affiliates	79
Section 11.04.	Indemnification of Administrative Agent.....	80 <u>79</u>
Section 11.05.	Delegation of Duties	80 <u>79</u>
Section 11.06.	Action or Inaction by Administrative Agent	80 <u>79</u>
Section 11.07.	Notice of Events of Termination; Action by Administrative Agent.....	80
Section 11.08.	Non-Reliance on Administrative Agent and Other Parties.....	81 <u>80</u>
Section 11.09.	Successor Administrative Agent.....	81 <u>80</u>
Section 11.10.	Structuring Agent.....	81
Section 11.11.	Erroneous Payments.....	82 <u>81</u>

ARTICLE XII	THE GROUP AGENTS	83 <u>82</u>
Section 12.01.	Authorization and Action.....	83 <u>82</u>
Section 12.02.	Group Agent’s Reliance, Etc	83
Section 12.03.	Group Agent and Affiliates.....	84 <u>83</u>
Section 12.04.	Indemnification of Group Agents	84 <u>83</u>
Section 12.05.	Delegation of Duties	84
Section 12.06.	Notice of Events of Termination.....	84
Section 12.07.	Non-Reliance on Group Agent and Other Parties.....	85 <u>84</u>
Section 12.08.	Successor Group Agent.....	85 <u>84</u>
Section 12.09.	Reliance on Group Agent.....	85
ARTICLE XIII	INDEMNIFICATION	86 <u>85</u>
Section 13.01.	Indemnities by the Seller	86 <u>85</u>
Section 13.02.	Indemnification by the Servicer.....	89 <u>88</u>
ARTICLE XIV	MISCELLANEOUS	90 <u>89</u>
Section 14.01.	Amendments, Etc	90 <u>89</u>
Section 14.02.	Notices, Etc	91 <u>90</u>
Section 14.03.	Assignability; Addition of Purchasers	92 <u>91</u>
Section 14.04.	Costs and Expenses.....	96 <u>95</u>
Section 14.05.	No Proceedings; Limitation on Payments.....	96 <u>95</u>
Section 14.06.	Confidentiality	97 <u>96</u>
Section 14.07.	GOVERNING LAW.....	98
Section 14.08.	Execution in Counterparts.....	99 <u>98</u>
Section 14.09.	Integration; Binding Effect; Survival of Termination	99 <u>98</u>
Section 14.10.	CONSENT TO JURISDICTION.....	99 <u>98</u>
Section 14.11.	WAIVER OF JURY TRIAL.....	100 <u>99</u>
Section 14.12.	Ratable Payments.....	100 <u>99</u>
Section 14.13.	Limitation of Liability.....	100 <u>99</u>
Section 14.14.	Intent of the Parties	100
Section 14.15.	USA Patriot Act	101 <u>100</u>
Section 14.16.	Reserved.....	101 <u>100</u>
Section 14.17.	Severability	101 <u>100</u>
Section 14.18.	Mutual Negotiations.....	101 <u>100</u>
Section 14.19.	Captions and Cross References.....	101 <u>100</u>
Section 14.20.	Purchaser Representation.....	101
Section 14.21.	Amendment and Restatement	102 <u>101</u>
Section 14.22.	Equalization of Aggregate Capital and Commitments	102 <u>101</u>
Section 14.23.	Acknowledgement and Consent to Bail-In of Affected Financial Institutions.....	103 <u>102</u>

EXHIBITS

EXHIBIT A	—	Form of Investment Request
EXHIBIT B	—	Form of Reduction Notice
EXHIBIT C	—	Form of Assignment and Acceptance Agreement
EXHIBIT D	—	Form of Assumption Agreement
EXHIBIT E	—	[Reserved]
EXHIBIT F	—	[Reserved]
EXHIBIT G	—	Form of Information Package
EXHIBIT H	—	Form of Compliance Certificate
EXHIBIT I	—	[Reserved]
EXHIBIT I-2	—	Restatement Effective Date Closing Memorandum
EXHIBIT J	—	[Reserved]
EXHIBIT K	—	[Reserved]
EXHIBIT L	—	Defined Terms

SCHEDULES

SCHEDULE I	—	Commitments
SCHEDULE II	—	Lock-Boxes, Collection Accounts and Collection Account Banks
SCHEDULE III	—	Notice Addresses
SCHEDULE IV	—	Initial Schedule of Sold Receivables
SCHEDULE V	—	[Reserved]
SCHEDULE VI	—	Special Obligors

This Fourth Amended and Restated RECEIVABLES PURCHASE AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, this “*Agreement*”) is entered into as of August 30, 2022, by and among the following parties:

- (i) WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC (formerly known as AT&T Receivables Funding II, LLC), a Delaware limited liability company, as Seller (together with its successors and assigns, the “*Seller*”);
- (ii) the Persons from time to time party hereto as Purchasers and as Group Agents;
- (iii) PNC BANK, NATIONAL ASSOCIATION (“*PNC*”), as Administrative Agent;
- (iv) TURNER BROADCASTING SYSTEM, INC., a Delaware corporation, in its individual capacity (“*Turner*”) and as initial Servicer (in such capacity, together with its successors and assigns in such capacity, the “*Servicer*”); and
- (v) PNC CAPITAL MARKETS LLC, a Pennsylvania limited liability company, as Structuring Agent and as Sustainability Agent.

PRELIMINARY STATEMENTS

The Seller has acquired, and will acquire from time to time, Receivables from certain Originators pursuant to the Purchase and Sale Agreement. The Seller desires to sell certain of the Receivables to the Purchasers, and, in connection therewith, has requested that the Purchasers make Investments from time to time, on the terms, and subject to the conditions set forth herein.

The Seller, the Servicer, PNC, as a Purchaser and as a Group Agent, the Administrative Agent and the Structuring Agent are currently party to that certain Third Amended and Restated Receivables Purchase Agreement, dated as of July 5, 2022 (the “*Existing Receivables Purchase Agreement*”). The Seller hereby requests that certain amendments be made to the Existing Receivables Purchase Agreement and, for the sake of clarity and convenience, that the Existing Receivables Purchase Agreement be restated as so amended.

In consideration of the mutual agreements, provisions and covenants contained herein, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Certain Defined Terms. The defined terms used in this Agreement shall have the meanings as set forth in Exhibit L attached hereto (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

Section 1.02. Other Interpretative Matters. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. All terms used in Article 9 of the UCC in the State of New York and not specifically defined herein, are used herein as defined in such Article 9. Unless otherwise expressly indicated, all references herein to “Article,” “Section,” “Schedule,” “Exhibit” or “Annex” shall mean articles and sections of, and schedules, exhibits and annexes to, this Agreement. For purposes of this Agreement, the other Transaction Documents and all such certificates and other documents, unless the context otherwise requires: (a) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day; (b) the words “hereof,” “herein” and “hereunder” and words of similar import refer to such agreement (or the certificate or other document in which they are used) as a whole and not to any particular provision of such agreement (or such certificate or document); (c) references to any Article, Section, Schedule, Exhibit or Annex are references to Articles, Sections, Schedules, Exhibits and Annexes in or to such agreement (or the certificate or other document in which the reference is made), and references to any paragraph, subsection, clause or other subdivision within any Section or definition refer to such paragraph, subsection, clause or other subdivision of such Section or definition; (d) the term “including” means “including without limitation”; (e) references to any Applicable Law refer to that Applicable Law as amended from time to time and include any successor Applicable Law; (f) references to any agreement refer to that agreement as from time to time amended, restated or supplemented or as the terms of such agreement are waived or modified in accordance with its terms; (g) references to any Person include that Person’s permitted successors and assigns; (h) headings are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof; (i) unless otherwise provided, in the calculation of time from a specified date to a later specified date, the term “from” means “from and including”, and the terms “to” and “until” each means “to but excluding”; (j) terms in one gender include the parallel terms in the neuter and opposite gender; (k) references to any amount as on deposit or outstanding on any particular date means such amount at the close of business on such day and (l) the term “or” is not exclusive.

Section 1.03. SOFR Notification. Section 5.04(c) of this Agreement provides a mechanism for determining an alternative rate of interest in the event that the Term SOFR Rate or Daily 1M SOFR is no longer available or in certain other circumstances. The Administrative Agent does not warrant or accept any responsibility for and shall not have any liability with respect to, the administration, submission or any other matter related to the Term SOFR Rate, Daily 1M SOFR or with respect to any alternative or successor rate thereto, or replacement rate therefor, except, in the case of administration or calculation of such interest rate hereunder, liability for its own gross negligence, bad faith or willful misconduct, to the extent determined in a final, non-appealable judgment by a court of competent jurisdiction.

Section 1.04. Conforming Changes Relating to SOFR. With respect to the Term SOFR Rate and Daily 1M SOFR, the Administrative Agent will have the right, in consultation with the Seller, to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document; *provided* that, with respect to any such amendment effected, the Administrative Agent shall provide notice to the Seller and the

Purchasers of each such amendment implementing such Conforming Changes reasonably promptly after such amendment becomes effective.

ARTICLE II

TERMS OF THE PURCHASES AND INVESTMENTS

Section 2.01. Purchase Facility.

(a) *Investments.* Upon a request by the Seller pursuant to Section 2.02(a), and on the terms and subject to the conditions hereinafter set forth, the Conduit Purchasers, ratably, in accordance with the aggregate of the Commitments of the Related Committed Purchasers with respect to each such Conduit Purchaser, severally and not jointly, may, in their sole discretion, make fundings of Capital to the Seller on a revolving basis, and if and to the extent any Conduit Purchaser does not make any such funding of Capital or if any Group does not include a Conduit Purchaser, the Related Committed Purchaser(s) for such Conduit Purchaser or the Committed Purchaser for such Group, as the case may be, shall, ratably in accordance with their respective Commitments, severally and not jointly, make such funding of Capital to the Seller, in either case, from time to time during the period from the Initial Investment Date to the Termination Date. Each such funding of Capital by a Purchaser to the Seller shall constitute an Investment hereunder for all purposes. Under no circumstances shall any Purchaser be obligated to make any Investment if, after giving effect thereto:

- (i) the Aggregate Capital would exceed the Facility Limit at such time;
- (ii) the sum of (A) the Capital of such Purchaser, *plus* (B) the aggregate outstanding Capital of each other Purchaser in its Group, would exceed the Group Commitment of such Purchaser's Group;
- (iii) if such Purchaser is a Committed Purchaser, the aggregate outstanding Capital of such Committed Purchaser would exceed its Commitment; or
- (iv) the Aggregate Capital would exceed the Capital Coverage Amount at such time.

(b) *Sale of Receivables and Other Sold Assets.* In consideration of the Purchasers' respective agreements to make Investments in accordance with the terms hereof, the Seller, on the date of each Investment and on each other date occurring on or prior to the Termination Date, hereby sells, assigns and transfers to the Administrative Agent (for the ratable benefit of the Purchasers according to their Capital as increased or reduced from time to time hereunder), all of the Seller's right, title and interest in, to and under all of the following, whether now or hereafter owned, existing or arising (collectively, the "*Sold Assets*"): (i) all Sold Receivables, (ii) all Related Security with respect to such Sold Receivables, (iii) all Collections with respect to such Sold Receivables and (iv) all proceeds of the foregoing; *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x)

any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor. Such sales, assignments and transfers by the Seller shall, in each case, occur and be deemed to occur for all purposes in accordance with the terms hereof automatically without further action, notice or consent of any party.

(c) *Intended Characterization as a Purchase and Sale.* It is the intention of the parties to this Agreement that the transfer and conveyance of the Seller's right, title and interest in, to and under the Sold Assets to the Administrative Agent (for the ratable benefit of the Purchasers according to their Capital as increased or reduced from time to time hereunder) pursuant to this Agreement shall constitute a purchase and sale and not a pledge for security, and such purchase and sale of the Sold Assets hereunder shall be treated as a sale for all purposes (except as provided in Sections 2.01(d) and 14.14). For the avoidance of doubt, this clause (c) shall not be construed to limit or otherwise modify Section 5.05 or any rights, interests, liabilities or obligations of any party thereunder.

(d) *Obligations Not Assumed.* Notwithstanding any provision contained in this Agreement or any other Transaction Document to the contrary, the foregoing sale, assignment, transfer and conveyance set forth in Section 2.01(b) does not constitute, and is not intended to result in, the creation or an assumption by the Administrative Agent, any Group Agent or any Purchaser of any obligation or liability of the Seller, any Originator, the Servicer, or any other Person under or in connection with all, or any portion of, any Sold Assets, all of which shall remain the obligations and liabilities of the Seller, the Originators, the Servicer and such other Persons, as applicable.

(e) *Selection, Designation and Reporting of Sold Receivables.* The Seller (or the Servicer on its behalf) shall select and identify from the Pool Receivables all Sold Receivables to be sold pursuant to Section 2.01(b) in its sole discretion; *provided, however*, that the Seller shall not permit the aggregate Outstanding Balance of Sold Receivables to exceed the Aggregate Capital at any time; *provided, further*, no Receivable that is subject to any withholding Taxes shall be designated as a Sold Receivable. The Seller shall maintain (or cause the Servicer to maintain) books and records sufficient to readily identify the Sold Receivables. The Seller and Servicer shall cause all Sold Receivables to be identified on each Investment Request in accordance with Section 2.02(a) and on each Information Package delivered hereunder.

Section 2.02. Making Investments; Return of Capital. (a) The Seller may request an Investment by delivering to the Administrative Agent and each Group Agent an Investment Request in the form attached hereto as Exhibit A; *provided that*, at any time when PNC (or an Affiliate thereof) is the Administrative Agent and the Seller has entered into a PINACLE Agreement, then any request for an Investment made by the Seller using PINACLE shall constitute

an Investment Request. Each such Investment Request shall be delivered on a Business Day by no later than 1:00 p.m. (New York City time) at least two (2) Business Days prior to the day the related requested Investment is to be made, it being understood in each case that any such request made after such time specified above shall be deemed to have been made on the following Business Day. Each Investment Request shall specify (i) the amount of Capital requested (which amount shall (x) not be less than \$100,000 and shall be an integral multiple of \$100,000 and (y) after giving effect to the addition of Pool Receivables in connection with such Investment, not cause (1) a Capital Coverage Deficit to exist or (2) the Aggregate Capital to be less than an amount that is equal to the lesser of (A) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (B) the Capital Coverage Amount at such time), (ii) the allocation of such amount among the Groups (which shall be ratable based on the Group Commitments), (iii) the account to which the Capital of such Investment shall be distributed, (iv) the date such requested Investment is to be made (which shall be a Business Day) and (v) all Pool Receivables that are or, effective upon the making of such Investment, will be, Sold Receivables.

(b) (i) The Administrative Agent shall, promptly after receipt by it of an Investment Request pursuant to Section 2.02(a), notify each Group Agent of its receipt of such Investment Request specifying the information provided by the Seller and the apportionment among the Groups (which shall be ratable based on the Group Commitments) of the requested Investment. On the date of each Investment specified in the applicable Investment Request, the Purchasers shall, upon satisfaction of the applicable conditions set forth in Article VI and pursuant to the other conditions set forth in this Article II, deliver to the Administrative Agent by wire transfer of immediately available funds at the account from time to time designated in writing by the Administrative Agent, an amount equal to the portion of Capital relating to the undivided percentage ownership interest then being funded by such Purchaser. On the date of each Investment specified in the applicable Investment Request, the Administrative Agent shall, upon satisfaction of the applicable conditions set forth in Article VI and pursuant to the other conditions set forth in this Article II, make available to the Seller in same day funds an aggregate amount equal to the amount of Capital to be funded by all Purchasers, at the account set forth in the related Investment Request, provided that if any Purchaser fails to remit such funds to the Administrative Agent in a timely manner, the Administrative Agent may elect in its sole discretion to fund with its own funds the share of the Investment of such Purchaser on such date, and such Purchaser shall be subject to the repayment obligation in Section 2.02(b)(ii).

(ii) Unless the Administrative Agent shall have received notice from a Purchaser or Group Agent prior to the proposed date of any Investment that such Purchaser's or Group Agent's Group will not make available to the Administrative Agent such Group's share of such Investment, the Administrative Agent may assume that such Group has made such share available on such date in accordance with the foregoing clause (b)(i) and may, in reliance upon such assumption, make available to the Seller a corresponding amount. In such event, if a Group has not in fact made its share of the applicable Investment available to the Administrative Agent, then the Committed Purchaser in such Group and the Seller severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Seller to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Committed Purchaser, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking

industry rules on interbank compensation or (ii) in the case of the Seller, the Base Rate. If such Committed Purchaser pays such amount to the Administrative Agent, then such amount shall constitute such Committed Purchaser's Capital included in such Investment. If the Seller and such Committed Purchaser shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Seller the amount of such interest paid by the Seller for such period. Any such payment by the Seller shall be without prejudice to any claim the Seller may have against a Committed Purchaser that shall have failed to make such payment to the Administrative Agent.

(c) Each Committed Purchaser's obligation shall be several, such that the failure of any Committed Purchaser to make available to the Seller or Administrative Agent any funds in connection with any Investment shall not relieve any other Committed Purchaser of its obligation, if any, hereunder to make funds available on the date such Investments are requested (it being understood, that no Committed Purchaser shall be responsible for the failure of any other Committed Purchaser to make funds available to the Seller in connection with any Investment hereunder).

(d) The Seller shall return in full the outstanding Capital of each Purchaser on the Seller Obligation Final Due Date. Prior thereto, the Seller shall, on each Settlement Date, reduce the outstanding Capital of the Purchasers to the extent required under Section 4.01 and otherwise only in accordance with such Section 4.01 (subject to the priorities for payment set forth therein) by paying the amount of such reduction in accordance with Section 4.02. Notwithstanding the foregoing, the Seller, in its discretion, shall have the right to reduce without premium or penalty (other than any associated Breakage Fees, if applicable), in whole or in part by payment only from Collections on Pool Receivables, the outstanding Capital of any or all Purchasers (i) on any Business Day if, the amount of outstanding Capital to be reduced does not exceed \$100,000,000 by delivering a Reduction Notice in the form attached hereto as Exhibit B to the Administrative Agent and each Group Agent by no later than 3:00 p.m. on the date of such reduction or (ii) by delivering a Reduction Notice in the form attached hereto as Exhibit B to the Administrative Agent and each Group Agent one (1) Business Day prior to the date of such reduction, *provided* that, at any time when PNC (or an Affiliate thereof) is the Administrative Agent and the Seller has entered into a PINACLE Agreement, then any Reduction Notice made by the Seller using PINACLE shall constitute a Reduction Notice for purposes of this clause (d); *provided, however* that for reductions made pursuant to clause (i) or (ii) above (A) each such reduction shall not be less than \$100,000 (unless the Capital of the applicable Purchaser or the Aggregate Capital, as applicable, would be reduced to zero) and shall be an integral multiple of \$100,000; *provided, however*, that notwithstanding the foregoing, a reduction may be in an amount necessary to reduce any Capital Coverage Deficit existing at such time to zero, (B) any accrued Yield and Fees in respect of the portion(s) of Capital so reduced shall be paid in full on the immediately following Settlement Date and (C) it shall be a condition precedent to any such reduction in Capital that after giving effect to the reduction in the outstanding Capital proposed in such Reduction Notice, the outstanding Capital at such time would not be less than an amount equal to the lesser of (x) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (y) the Capital Coverage Amount at such time; *provided, further*, if the outstanding Capital of any Committed Purchaser is reduced to zero, the Seller may, in its discretion reduce the Commitment of such Committed Purchaser to zero.

(e) The Seller may, at any time upon at least thirty (30) days' prior written notice to the Administrative Agent and each Group Agent, terminate the Facility Limit in whole or ratably reduce the Facility Limit in part. Each partial reduction in the Facility Limit shall be in a minimum aggregate amount of \$100,000,000 (unless the Commitment of any applicable Committed Purchaser shall be reduced to zero) or integral multiples of \$100,000,000 in excess thereof, and no such partial reduction shall reduce the Facility Limit to an amount less than \$1,000,000,000. In connection with any partial reduction in the Facility Limit, the Commitment of each Committed Purchaser shall be ratably reduced. Notwithstanding the foregoing, if any Affected Person in the related Group shall have submitted a claim for reimbursement or compensation under Section 5.01 or any Purchaser in the related Group shall have become a Defaulting Purchaser, at any time upon at least one (1) day's prior written notice to the Administrative Agent and each Group Agent, reduce the Facility Limit in part by reducing the Commitment of the related Committed Purchaser on a non-ratable basis.

(f) In connection with any reduction of the Commitments, the Seller shall remit to the Administrative Agent (i) instructions regarding such reduction and (ii) for payment to the Purchasers, cash from available Collections in an amount sufficient to pay (A) the Capital of Purchasers in each Group in excess of the Group Commitment of such Group and (B) all other outstanding Seller Obligations with respect to such reduction (determined based on the ratio of the reduction of the Commitments being effected to the amount of the Commitments prior to such reduction or, if the Administrative Agent reasonably determines that any portion of the outstanding Seller Obligations is allocable solely to that portion of the Commitments being reduced or has arisen solely as a result of such reduction, all of such portion) including, without duplication, any associated Breakage Fees. Upon receipt of any such amounts, the Administrative Agent shall apply such amounts from available Collections first to the reduction of the outstanding Capital, and second to the payment of the remaining outstanding Seller Obligations with respect to such reduction, including any Breakage Fees, by paying such amounts to the Purchasers.

(g) So long as no Event of Termination or Unmatured Event of Termination has occurred and is continuing, with the prior written consent of the Administrative Agent and upon prior notice to the Purchasers, the Seller may from time to time request an increase in the Commitment with respect to one or more Committed Purchasers or cause additional Persons to become parties to this Agreement, as Purchasers, at any time following the Closing Date and prior to the Termination Date; *provided*, that any such increase in such Committed Purchasers' Commitments and the Commitments of all such additional Committed Purchasers may not exceed \$2,000,000,000 in the aggregate during the life of this Agreement; *provided*, that each request for an increase and addition shall be in a minimum amount of \$100,000,000. At the time of sending such notice with respect to any Purchaser, the Seller (in consultation with the Administrative Agent) shall specify the time period within which such Purchasers and the Administrative Agent are requested to respond to the Seller's request (which shall in no event be less than ten (10) Business Days from the date of delivery of such notice to the Administrative Agent). Each Committed Purchaser being asked to increase its Commitment and the Administrative Agent shall notify the Seller within the applicable time period whether or not such Person agrees, in its respective sole discretion, to the increase to such Committed Purchaser's Commitment. Any such Person not responding within such time period shall be deemed to have declined to consent to an increase in such Committed Purchaser's Commitment. For the avoidance of doubt, only the consent of the Purchaser then being asked to

increase its Commitment (or an additional Purchaser) and the Administrative Agent shall be required in order to approve any such request. If the Commitment of any Committed Purchaser is increased (or a new Person is added as Committed Purchaser) in accordance with this clause (g), the Administrative Agent, such Purchaser and the Seller shall determine the effective date with respect to such increase (or addition) and shall enter into such documents as agreed to by such parties to document such increase (or addition). If the Commitment of any Committed Purchaser is increased (or a new Person is added as Committed Purchaser) the Administrative Agent shall provide written notice of such increase (or addition) to each Purchaser and Group Agent.

Section 2.03. Yield and Fees. (a) On each Settlement Date, the Seller shall, in accordance with the terms and priorities for payment set forth in Section 4.01, pay to the Administrative Agent for the benefit of each Group Agent, each Purchaser, the Administrative Agent and the Structuring Agent certain fees (collectively, the “Fees”) in the amounts set forth in the fee letter agreements from time to time entered into, among the Seller, the members of the applicable Group (or their Group Agent on their behalf) and/or the Administrative Agent (each such fee letter agreement, as amended, restated, supplemented or otherwise modified from time to time, collectively being referred to herein as the “Fee Letter”). Commitment Fees (as defined in the Fee Letter) shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Purchaser and each other Purchaser in the same Group as provided in Section 2.06.

(b) Each Purchaser’s Capital shall accrue Yield on each day when such Capital remains outstanding at the then applicable Yield Rate for such Capital (or each applicable portion thereof). The Seller shall pay all Yield (including, for the avoidance of doubt, all Yield accrued on Term SOFR Tranches during a Yield Period regardless of whether the applicable Tranche Period has ended), Fees and Breakage Fees accrued during each Yield Period on each Settlement Date in accordance with the terms and priorities for payment set forth in Section 4.01.

Section 2.04. Records of Investments and Capital. Each Group Agent shall notify the Administrative Agent in writing of the date and amount of each Investment made by the Purchasers in its Group hereunder, the Yield Rate with respect to the related Capital (and each portion thereof), the Yield accrued on such Purchasers’ Capital and each repayment and payment thereof and the Administrative Agent shall record such amounts and dates in the Register pursuant to Section 14.03(c). The failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Seller hereunder or under the other Transaction Documents to repay the Capital of each Purchaser, together with all Yield accruing thereon and all other Seller Obligations.

Section 2.05. Selection of Yield Rates and Tranche Periods. (a) Subject to the following sentence, each Purchaser’s Capital (including all portions thereof) shall accrue Yield initially based on Daily 1M SOFR. Thereafter, so long as no Event of Termination has occurred and is continuing, the Seller may from time to time elect to change or continue the type of SOFR Rate and/or Tranche Period borne by the Purchasers’ Capital or, subject to the minimum amount requirement set forth in Section 2.02(a), a portion thereof by notice to the Administrative Agent not later than 11:00 a.m. (New York City time), one (1) Business Day prior to the expiration of any Tranche Period or Yield Period, as applicable, provided, that there shall not be more than three (3) Term SOFR Tranches outstanding hereunder at any one time, provided, further, that for the

avoidance of doubt, any change from Daily 1M SOFR to the Term SOFR Rate and/or any change to a Tranche Period applicable to any Capital (or portion thereof) shall not be effective until the Monthly Settlement Date occurring after the date of such request. Any such notices requesting the continuation or conversion of any Capital (or any portion thereof) to the Administrative Agent may be given by telephone, telecopy, or other telecommunication device acceptable to the Administrative Agent (which notice shall be irrevocable once given and, if by telephone, shall be promptly confirmed in writing in a manner acceptable to the Administrative Agent).

(b) If, by the time required in Section 2.05(a), the Seller fails to select a Tranche Period or SOFR Rate for any Capital (or portion thereof), such Capital (or portion thereof) shall automatically accrue Yield at Daily 1M SOFR for the next occurring Yield Period.

Section 2.06. Defaulting Purchasers. Notwithstanding any provision of this Agreement to the contrary, if any Purchaser becomes a Defaulting Purchaser, then the following provisions shall apply for so long as such Purchaser is a Defaulting Purchaser:

(a) Commitment Fees (as defined in the Fee Letter) shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Purchaser and each other Purchaser in the same Group.

(b) The Commitment and Capital of such Defaulting Purchaser and each other Purchaser in the same Group shall not be included in determining whether the Majority Group Agents have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 14.01); *provided*, that, except as otherwise provided in Section 14.01, this clause (b) shall not apply to the vote of a Defaulting Purchaser (or other Purchaser in the same Group) in the case of an amendment, waiver or other modification requiring the consent of such Purchaser or each Purchaser directly affected thereby (if such Purchaser is directly affected thereby).

(c) In the event that one or more Committed Purchasers fails to fund any portion of its Investments (or the Capital thereof) by 8:00 a.m. (New York City time) on the Business Day following the date of the Investment specified in the related Investment Request, the Administrative Agent shall notify each of the other Committed Purchasers not later than 11:00 a.m. (New York City time) on such Business Day, and each of the other Committed Purchasers (or the Related Conduit Purchasers on their behalf) shall, upon satisfaction of the applicable conditions set forth in Article VI and pursuant to the other conditions set forth in this Article II, make available to the Seller a supplemental Investment in an amount equal to the lesser of (a) the aggregate Capital of the related Investment Request that was unfunded multiplied by such Committed Purchaser's Percentage (which for purposes of this clause will not include the aggregate Commitment of the Committed Purchaser failing to make the Investment on such prior Business Day) and (b) the excess of (i) such Committed Purchaser's Commitment over (ii) the product of such Committed Purchaser's related Percentage multiplied by all outstanding Commitments (after giving effect to the supplemental Investment on such date). In the event that the Committed Purchasers that originally failed to fund their Investments in respect of a applicable Investment Request, have not otherwise cured such failure, such

supplemental Investments shall be made by wire transfer to the Administrative Agent in Dollars in same day funds no later than 12:00 p.m. (New York City time) on the Business Day that is two (2) Business Days following the Business Day on which the notice described in the preceding sentence was received by such Committed Purchaser (it being understood that any such request received after 11:00 a.m. (New York City time) shall be deemed to have been received on the next Business Day). The Administrative Agent will make available to the Seller by wire transfer in same day funds at the account from time to time designated in writing by the Seller to the Administrative Agent the amount of such supplemental Investments no later than 4:00 p.m. (New York City time) on the day such supplemental Investments are received from the Committed Purchasers. If any Committed Purchaser which shall have failed to fund its Investment in respect of an Investment Request shall subsequently pay such amount, the Seller shall immediately remit such funds to the Administrative Agent which shall apply such amount pro rata to repay any supplemental Investments made by the other Committed Purchasers (or the related Conduit Purchasers on their behalf) pursuant to this Section 2.06(c). Any payment of principal, interest, fees or other amounts payable to the account of a Defaulting Purchaser (whether voluntary or mandatory, at maturity or otherwise) shall be applied by the Servicer first to all other Committed Purchasers on a pro rata basis prior to being applied to the payment of any Investments of such Defaulting Purchaser until such time as all Investments are held by the Committed Purchasers (or the related Conduit Purchasers on their behalf) pro rata in accordance with the Commitments. Any payments, prepayments or other amounts paid or payable to a Defaulting Purchaser that are applied to pay amounts owed by a Defaulting Purchaser pursuant to this Section 2.06(c) shall be deemed paid to and redirected by such Defaulting Purchaser, and each Committed Purchaser irrevocably consents hereto. Subject to Section 14.23, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Purchaser arising from that Committed Purchaser having become a Defaulting Purchaser. No Defaulting Purchaser or any other Purchaser in the same Group shall be entitled to receive any Commitment Fees (as defined in the Fee Letter) for any period during which that Purchaser is a Defaulting Purchaser (and the Seller shall not be required to pay any such Commitment Fees that otherwise would have been required to have been paid to that Defaulting Purchaser or any other Purchaser in the same Group for such period).

(d) In the event that the Administrative Agent, the Seller and the Servicer each agrees in writing that a Defaulting Purchaser has adequately remedied all matters that caused such Purchaser to be a Defaulting Purchaser, then on such date such Purchaser shall purchase at par such of the Capital of the other Purchasers as the Administrative Agent shall determine may be necessary in order for such Purchaser to hold such Capital in accordance with its Percentage; *provided*, that no adjustments shall be made retroactively with respect to fees accrued or payments made by or on behalf of the Seller while such Purchaser was a Defaulting Purchaser, and *provided, further*, that except to the extent otherwise agreed by the affected parties, no change hereunder from Defaulting Purchaser to Purchaser that is not a Defaulting Purchaser will constitute a waiver or release of any claim of any party hereunder arising from that Purchaser having been a Defaulting Purchaser.

ARTICLE III

SELLER GUARANTY

Section 3.01. Guaranty of Payment. The Seller hereby absolutely, irrevocably and unconditionally guarantees to each Purchaser, the Administrative Agent and the other Secured Parties the prompt payment of the Sold Receivables by the related Obligors and all other payment obligations included in the Sold Assets (collectively, the “*Guaranteed Obligations*”), in each case, in full when due, whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise (such guaranty, the “*Seller Guaranty*”). The Seller Guaranty is a guaranty of payment and not of collection and is a continuing irrevocable guaranty and shall apply to all Guaranteed Obligations whenever arising. To the extent the obligations of the Seller hereunder with respect to the Seller Guaranty shall be adjudicated to be invalid or unenforceable for any reason (including because of any applicable state or federal Law relating to fraudulent conveyances or transfers) then such obligations of the Seller shall be limited to the maximum amount that is permissible under Applicable Law (whether federal or state or otherwise and including the Bankruptcy Code and any other applicable bankruptcy, insolvency, reorganization or other similar laws).

Section 3.02. Unconditional Guaranty. The obligations of the Seller under the Seller Guaranty are absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any Guaranteed Obligations, any Contract, any Transaction Document or any other agreement or instrument referred to therein, to the fullest extent permitted by Applicable Law, and irrespective of any other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor. The Seller agrees that the Seller Guaranty may be enforced by the Administrative Agent or the Purchasers without the necessity at any time of resorting to or exhausting any other security or collateral and without the necessity at any time of having recourse to any of the other Transaction Documents or any collateral, including the Sold Assets, hereafter securing the Guaranteed Obligations, the Seller Obligations or otherwise, and the Seller hereby waives the right to require the Administrative Agent or the Purchasers to make demand on or proceed against any Obligor, any Originator, the Servicer or the Performance Guarantor or any other Person or to require the Administrative Agent or the Purchasers to pursue any other remedy or enforce any other right. The Seller further agrees that no Person or Governmental Authority shall have any right to request any return or reimbursement of funds from the Administrative Agent or the Purchasers in connection with monies received under or in respect of the Seller Guaranty. The Seller further agrees that nothing contained herein shall prevent the Administrative Agent or the Purchasers from suing on any of the other Transaction Documents or foreclosing its or their, as applicable, security interest in or lien on the Sold Assets, the Seller Collateral or any other collateral securing the Guaranteed Obligations or the Seller Obligations or from exercising any other rights available to it or them, as applicable, under any Transaction Document, or any other instrument of security and the exercise of any of the aforesaid rights and the completion of any foreclosure proceedings shall not constitute a discharge of the Seller’s obligations under the Seller Guaranty; it being the purpose and intent of the Seller that its obligations under the Seller Guaranty shall be absolute, independent and unconditional under any and all circumstances. Neither the Seller Guaranty nor any remedy for the enforcement thereof shall be impaired, modified, changed or released in any manner whatsoever by an impairment, modification, change, release, increase or limitation of the liability

of any Obligor, any Originator, the Servicer or the Performance Guarantor or by reason of the bankruptcy or insolvency of any Obligor, any Originator, the Servicer or the Performance Guarantor. The Seller hereby waives any and all notice of the creation, renewal, extension, accrual, or increase of any of the Guaranteed Obligations and notice of or proof of reliance by the Administrative Agent or any Purchaser on the Seller Guaranty or acceptance of the Seller Guaranty. All dealings between any Obligor, any Originator, the Servicer, the Performance Guarantor or the Seller, on the one hand, and the Administrative Agent and the Purchasers, on the other hand, shall be conclusively presumed to have been had or consummated in reliance upon the Seller Guaranty. The Seller hereby represents and warrants that it is, and immediately after giving effect to the Seller Guaranty and the obligation evidenced hereby, will be, Solvent. The Seller Guaranty and the obligations of the Seller under the Seller Guaranty shall be valid and enforceable and shall not be subject to any limitation, impairment or discharge for any reason (other than payment in full of all Guaranteed Obligations), including the occurrence of any of the following, whether or not the Administrative Agent or any Purchaser shall have had notice or knowledge of any of them: (A) any failure to assert or enforce or agreement not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy with respect to the Sold Assets or the Guaranteed Obligations or any agreement relating thereto, or with respect to any guaranty of or other security for the payment of the Sold Assets or the Guaranteed Obligations, (B) any waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to Termination Events) of any Transaction Document or any agreement or instrument executed pursuant thereto, or of any guaranty or other security for the Sold Assets or the Guaranteed Obligations, (C) to the fullest extent permitted by Applicable Law, any of the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect, (D) the application of payments received from any source to the payment of Indebtedness other than the Guaranteed Obligations, even though the Administrative Agent might have elected to apply such payment to any part or all of the Guaranteed Obligations, (E) any failure to perfect or continue perfection of a security interest in any of the Sold Assets or other Seller Collateral, (F) any defenses, set-offs or counterclaims which the Seller, any Originator, the Servicer, the Performance Guarantor or any Obligor may allege or assert against the Administrative Agent or any Purchaser in respect of the Sold Assets or the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury, and (G) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of the Seller as an obligor in respect of the Sold Assets or the Guaranteed Obligations.

Section 3.03. Modifications. The Seller agrees that: (a) all or any part of any security interest, lien, collateral security or supporting obligation now or hereafter held for any Guaranteed Obligation may be exchanged, compromised or surrendered from time to time; (b) none of the Purchasers or the Administrative Agent shall have any obligation to protect, perfect, secure or insure any security interest or lien now or hereafter held, if any, for the Guaranteed Obligations; (c) the time or place of payment of any Guaranteed Obligation may be changed or extended, in whole or in part, to a time certain or otherwise, and may be renewed or accelerated, in whole or in part; (d) any Obligor, any Originator, the Seller, the Servicer or the Performance Guarantor and any other party (including any co-guarantor) liable for payment of any Guaranteed Obligation may

be granted indulgences generally; (e) any of the provisions of Contracts or any other agreements or documents governing or giving rise to any Guaranteed Obligation may be modified, amended or waived; and (f) any deposit balance for the credit of any Obligor, any Originator, the Servicer, the Performance Guarantor or the Seller or any other party (including any co-guarantor) liable for the payment of any Guaranteed Obligation or liable upon any security therefor may be released, in whole or in part, at, before or after the stated, extended or accelerated maturity of the Guaranteed Obligations, in each case without notice to or further assent by the Seller, which shall remain bound thereon, notwithstanding any such exchange, compromise, surrender, extension, renewal, acceleration, modification, indulgence or release.

Section 3.04. Waiver of Rights. The Seller expressly waives to the fullest extent permitted by Applicable Law: (a) notice of acceptance of the Seller Guaranty by the Purchasers and the Administrative Agent; (b) presentment and demand for payment or performance of any of the Guaranteed Obligations; (c) protest and notice of dishonor or of default (except as specifically required in this Agreement) with respect to the Guaranteed Obligations or with respect to any security therefor; (d) notice of the Purchasers or the Administrative Agent obtaining, amending, substituting for, releasing, waiving or modifying any security interest or lien, if any, hereafter securing the Guaranteed Obligations, or the Purchasers or the Administrative Agent subordinating, compromising, discharging or releasing such security interests or liens, if any; (e) all other notices, demands, presentments, protests or any agreement or instrument related to the Sold Assets or the Guaranteed Obligations to which the Seller might otherwise be entitled; (f) any right to require the Administrative Agent or any Purchaser as a condition of payment or performance by the Seller, to (i) proceed against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person, (ii) proceed against or exhaust any other security held from any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person, (iii) proceed against or have resort to any balance of any deposit account, securities account or credit on the books of the Administrative Agent, the Purchasers or any other Person, or (iv) pursue any other remedy in the power of the Administrative Agent or the Purchasers whatsoever; (g) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person including any defense based on or arising out of the lack of validity or the unenforceability of the Sold Assets or the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person from any cause other than payment in full of the Sold Assets and the Guaranteed Obligations; (h) any defense based upon any Applicable Law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (i) any defense based upon the Administrative Agent's or any Purchaser's errors or omissions in the administration of the Sold Assets or the Guaranteed Obligations; (j) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of this Agreement and any legal or equitable discharge of the Sold Assets or the Guaranteed Obligations, (ii) the benefit of any statute of limitations affecting the Seller's liability under the Seller Guaranty or the enforcement of the Seller Guaranty, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that the Administrative Agent and the Purchasers protect, secure, perfect or insure any other security interest or lien or any property subject thereto; and (k) to the fullest extent permitted by Applicable Law, any defenses or benefits that may be derived from or afforded by Applicable Law which limit the liability of or

exonerate guarantors or sureties, or which may conflict with the terms of this Agreement and the Seller Guaranty.

Section 3.05. Reinstatement. Notwithstanding anything contained in this Agreement or the other Transaction Documents, the obligations of the Seller under this Article III 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 Guaranteed Obligations is rescinded or must be otherwise restored by any holder of any of the Guaranteed Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and the Seller agrees that it will indemnify Administrative Agent and each Purchaser on demand for all reasonable costs and expenses (including reasonable fees of counsel) incurred by such Person 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 bankruptcy, insolvency or similar law.

Section 3.06. Remedies. The Seller agrees that, as between the Seller, on the one hand, and Administrative Agent and the Purchasers, on the other hand, the Guaranteed Obligations may be declared to be forthwith due and payable as provided in Article IX (and shall be deemed to have become automatically due and payable in the circumstances provided in Article IX) notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing such Guaranteed Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or such Guaranteed Obligations being deemed to have become automatically due and payable), such Guaranteed Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Seller.

Section 3.07. Subrogation. The Seller hereby waives all rights of subrogation (whether contractual or otherwise) to the claims of the Administrative Agent, the Purchasers and the other Secured Parties against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person in respect of the Guaranteed Obligations until such time as all Guaranteed Obligations have been indefeasibly paid in full in cash and the Final Payout Date has occurred. The Seller further agrees that, to the extent such waiver of its rights of subrogation is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation shall be junior and subordinate to any rights the Administrative Agent or any Purchaser may have against any Obligor, any Originator, the Servicer, the Performance Guarantor or any other Person in respect of the Guaranteed Obligations.

Section 3.08. Inducement. The Purchasers have been induced to make the Investments under this Agreement in part based upon the Seller Guaranty and the Seller desires that the Seller Guaranty be honored and enforced as separate obligations of the Seller, should Administrative Agent and the Purchasers desire to do so.

Section 3.09. Security Interest. (a) To secure the prompt payment and performance of the Guaranteed Obligations, the Seller Guaranty and all other Seller Obligations, the Seller hereby grants to the Administrative Agent, for the benefit of the Purchasers and the other Secured Parties, a continuing security interest in and lien upon all property and assets of the Seller, whether now

or hereafter owned, existing or arising and wherever located, including the following (collectively, the “*Seller Collateral*”):

- (i) all Unsold Receivables;
- (ii) all Related Security with respect to such Unsold Receivables;
- (iii) all Collections with respect to such Unsold Receivables;
- (iv) the Lock-Boxes and Collection Accounts, other than the Excluded Collection Accounts and all amounts on deposit therein, and all certificates and instruments, if any, from time to time evidencing such Lock-Boxes and Collection Accounts other than the Excluded Collection Accounts and amounts on deposit therein;
- (v) all rights (but none of the obligations) of the Seller under the Purchase and Sale Agreement and any Credit Insurance Policy;
- (vi) all other personal and fixture property or assets of the Seller of every kind and nature including, without limitation, all goods (including inventory, equipment and any accessions thereto), instruments (including promissory notes), documents, accounts, chattel paper (whether tangible or electronic), deposit accounts, securities accounts, securities entitlements, letter-of-credit rights, commercial tort claims, securities and all other investment property, supporting obligations, money, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all general intangibles (including all payment intangibles) (each as defined in the UCC);
- (vii) the Pledged Investment Account and all Permitted Investments contained therein, the Pledged Deposit Account, and all amounts on deposit therein, and all certificates and instruments, if any, from time to time evidencing the Pledged Investment Account and the Pledged Deposit Account; and
- (viii) all proceeds of, and all amounts received or receivable under any or all of, the foregoing;

provided, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

(b) The Administrative Agent (for the benefit of the Secured Parties) shall have, with respect to all the Seller Collateral, and in addition to all the other rights and remedies available to the Administrative Agent (for the benefit of the Secured Parties), all the rights and remedies of a secured party under any applicable UCC. The Seller hereby authorizes the Administrative Agent to file financing statements describing the collateral covered thereby as “all of the debtor’s personal property or assets” or words to that effect, notwithstanding that such wording may be broader in scope than the collateral described in this Agreement.

(c) Immediately upon the occurrence of the Final Payout Date, the Seller Collateral shall be automatically released from the lien created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent, the Purchasers and the other Purchaser Parties hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Seller Collateral shall revert to the Seller; *provided, however*, that promptly following written request therefor by the Seller delivered to the Administrative Agent following any such termination, and at the expense of the Seller, the Administrative Agent shall execute and deliver to the Seller UCC-3 termination statements and such other documents as the Seller shall reasonably request to evidence such termination.

(d) For the avoidance of doubt, the grant of security interest pursuant to this Section 3.09 shall be in addition to, and shall not be construed to limit or modify, the sale of Sold Assets pursuant to Section 2.01(b) or the Seller’s grant of security interest pursuant to Section 5.05.

Section 3.10. Further Assurances. Promptly upon request, the Seller shall deliver such instruments, assignments or other documents or agreements, and shall take such actions, as the Administrative Agent or any Purchaser deems appropriate to evidence or perfect its security interest and lien on any of the Seller Collateral or otherwise to give effect to the intent of this Article III.

Section 3.11. Release of Seller Collateral and Reconveyance of Certain Sold Receivables. Contemporaneously with any release and reconveyance of Transferred Assets pursuant to Section 8.4(b) of the Purchase and Sale Agreement, and without any further consideration other than as specified therein, the Administrative Agent (on behalf of the Purchasers) agrees to reconvey to Buyer or its designee, all of its rights, title and interest in and to any such Transferred Assets constituting Sold Receivables or Sold Assets and to release any security interest it may have in, and all of its right, title and interest in and to the related Transferred Assets.

ARTICLE IV

SETTLEMENT PROCEDURES AND PAYMENT PROVISIONS

Section 4.01. Settlement Procedures. (a) The Servicer shall set aside and hold in trust for the benefit of the Secured Parties (or, if so requested by the Administrative Agent during the continuance of an Event of Termination, segregate in a separate account designated by the Administrative Agent, which shall be an account maintained and controlled by the Administrative Agent unless the Administrative Agent otherwise instructs in its sole discretion), for application

in accordance with the priority of payments set forth below, all Collections on Pool Receivables that are received by the Servicer or the Seller or received in any Lock-Box or Collection Account; *provided, however*, that so long as each of the conditions precedent set forth in Section 6.03 are satisfied on such date, the Servicer may release to the Seller a portion of such Collections (each such release of Collections, a “*Release*”). On each Settlement Date, the Servicer (or, following its assumption of control of the Collection Accounts, the Administrative Agent) shall distribute any such Collections not previously Released in the following order of priority:

(i) *first*, to the Servicer for the payment of the accrued Servicing Fees payable for the immediately preceding Yield Period (plus, if applicable, the amount of Servicing Fees payable for any prior Yield Period to the extent such amount has not been distributed to the Servicer);

(ii) *second*, to the Administrative Agent, for the account of each Purchaser and other Purchaser Party (ratably, based on the amount then due and owing), all accrued and unpaid Yield, Fees and Breakage Fees due to such Purchaser and other Purchaser Party for the immediately preceding Yield Period (including any additional amounts or indemnified amounts payable under Sections 5.03 and 13.01 in respect of such payments), plus, if applicable, the amount of any such Yield, Fees and Breakage Fees (including any additional amounts or indemnified amounts payable under Sections 5.03 and 13.01 in respect of such payments) payable for any prior Yield Period to the extent such amount has not been distributed to such Purchaser or Purchaser Party;

(iii) *third*, as set forth in clause (x), (y) or (z) below, as applicable:

(x) prior to the occurrence of the Termination Date, to the extent that a Capital Coverage Deficit exists on such date, to the Administrative Agent, for the account of each Purchaser (ratably, based on the aggregate outstanding Capital of each Purchaser at such time) for the return of a portion of the outstanding Aggregate Capital at such time, in an aggregate amount equal to the amount necessary to reduce the Capital Coverage Deficit to zero (\$0);

(y) on and after the occurrence of the Termination Date, to the Administrative Agent, for the account of each Purchaser (ratably, based on the aggregate outstanding Capital of each Purchaser at such time) for the return in full of the aggregate outstanding Capital of such Purchaser at such time; or

(z) prior to the occurrence of the Termination Date, at the election of the Seller and in accordance with Section 2.02(d), to the Administrative Agent, for the account of each Purchaser (ratably, based on the aggregate outstanding Capital of each Purchaser at such time) for the return of all or any portion of the outstanding Capital of the Purchasers at such time;

(iv) *fourth*, to the Purchaser Parties, the Affected Persons and the Seller Indemnified Parties (ratably, based on the amount due and owing at such time), for the

payment of all other Seller Obligations then due and owing by the Seller to the Purchaser Parties, the Affected Persons and the Seller Indemnified Parties; and

- (v) *fifth*, the balance, if any, to be paid to the Seller for its own account .

Amounts payable pursuant to clauses first through fifth above shall be paid first from available Collections on Sold Receivables and other Sold Assets, and second, to the extent necessary in order to make all such payments in full, from Collections on Unsold Receivables and other Seller Collateral. The Seller's right to receive payments (if any) from time to time pursuant to clause fifth above shall, to the extent arising from Collections on Sold Receivables, constitute compensation to the Seller for the Seller's provision of the Seller Guaranty of the Purchaser Parties' interests in the Seller Collateral. Amounts payable to the Seller pursuant to clause fifth above shall, after accounting for any amounts payable to the Originators under the Subordinated Notes and otherwise under the Purchase and Sale Agreement, first be allocated to the Sponsor to the amount of the Retained Interest described in Section 8.04 and then to any other value of such membership interest.

(b) All payments or distributions to be made by the Servicer, the Seller and any other Person to the Purchasers (or their respective related Affected Persons and the Seller Indemnified Parties), shall be paid or distributed to the related Group Agent at its Group Agent's Account. Each Group Agent, upon its receipt in the applicable Group Agent's Account of any such payments or distributions, shall distribute such amounts to the applicable Purchasers, Affected Persons and the Seller Indemnified Parties within its Group ratably; *provided* that if such Group Agent shall have received insufficient funds to pay all of the above amounts in full on any such date, such Group Agent shall pay such amounts to the applicable Purchasers, Affected Persons and the Seller Indemnified Parties within its Group in accordance with the priority of payments set forth above, and with respect to any such category above for which there are insufficient funds to pay all amounts owing on such date, ratably (based on the amounts in such categories owing to each such Person in such Group) among all such Persons in such Group entitled to payment thereof.

(c) If and to the extent the Administrative Agent, any Purchaser Party, any Affected Person or any Seller Indemnified Party shall be required for any reason to pay over to any Person (including any Obligor or any trustee, receiver, custodian or similar official in any Insolvency Proceeding) any amount received on its behalf hereunder, such amount shall be deemed not to have been so received but rather to have been retained by the Seller and, accordingly, the Administrative Agent, such Purchaser Party, such Affected Person or such Seller Indemnified Party, as the case may be, shall have a claim against the Seller for such amount.

- (d) For the purposes of this Section 4.01:

- (i) if on any day the Outstanding Balance of any Pool Receivable is reduced or adjusted as a result of any defective, rejected, returned, repossessed or foreclosed goods, licenses or services, or any revision, cancellation, allowance, rebate, credit memo, discount or other adjustment made by the Seller, any Originator, the Servicer or any Affiliate of the Servicer, or any setoff, counterclaim or dispute between the Seller, any Originator, the Servicer or any Affiliate of the Servicer and an Obligor, the Seller shall be deemed to have

received on such day a Collection of such Pool Receivable in the amount of such reduction or adjustment and shall pay any and all such amounts in respect thereof on the next Settlement Date, or after the occurrence and during the continuance of an Event of Termination, within two (2) Business Days, to a Collection Account subject to an Account Control Agreement (or as otherwise directed by the Administrative Agent at such time) for the benefit of the Purchaser Parties for application pursuant to Section 4.01(a);

(ii) if on any day any of the representations or warranties in Sections 7.01(m) or 7.01(u) is not true with respect to any Pool Receivable, the Seller shall be deemed to have received on such day a Collection of such Pool Receivable in full and shall pay the amount of such deemed Collection on the next Settlement Date, or after the occurrence and during the continuance of an Event of Termination, within two (2) Business Days, to a Collection Account subject to an Account Control Agreement (or as otherwise directed by the Administrative Agent at such time) for the benefit of the Purchaser Parties for application pursuant to Section 4.01(a) (Collections deemed to have been received pursuant to Section 4.01(d) are hereinafter sometimes referred to as “*Deemed Collections*”);

(iii) except as provided in clauses (i) or (ii) above or otherwise required by Applicable Law or the relevant Contract, all Collections received from an Obligor of any Receivable shall be applied to the Receivables of such Obligor in the order of the age of such Receivables, starting with the oldest such Receivable, unless such Obligor designates in writing its payment for application to specific Receivables; and

(iv) if and to the extent the Administrative Agent, any Purchaser Party, any Affected Person or any Seller Indemnified Party shall be required for any reason to pay over to an Obligor (or any trustee, receiver, custodian or similar official in any Insolvency Proceeding) any amount received by it hereunder, such amount shall be deemed not to have been so received by such Person but rather to have been retained by the Seller and, accordingly, such Person shall have a claim against the Seller for such amount, payable when and to the extent that any distribution from or on behalf of such Obligor is made in respect thereof.

Section 4.02. Payments and Computations, Etc. (a) All amounts to be paid by the Seller or the Servicer to the Administrative Agent, any Purchaser Party, any Affected Person or any Seller Indemnified Party hereunder shall be paid no later than noon (New York City time) on the day when due in same day funds to the applicable Group Agent’s Account.

(b) All computations of Yield, Fees and other amounts hereunder shall be made on the basis of a year of 360 days (or, in the case of amounts determined by reference to the Base Rate, 365 or 366 days, as applicable) for the actual number of days (including the first but excluding the last day) elapsed. Whenever any payment or deposit to be made hereunder shall be due on a day other than a Business Day, such payment or deposit shall be made on the next succeeding Business Day and such extension of time shall be included in the computation of such payment or deposit.

ARTICLE V

INCREASED COSTS; FUNDING LOSSES; TAXES; ILLEGALITY AND BACK-UP SECURITY INTEREST

Section 5.01. Increased Costs.

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

(i) impose, modify or deem applicable any reserve, special deposit, liquidity, 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 Affected Person (except any such reserve requirements reflected in the Term SOFR Rate or Daily 1M SOFR);

(ii) subject any Affected Person to any Taxes (except to the extent such Taxes are (A) Indemnified Taxes for which relief is sought under Section 5.03, (B) Taxes described in clause (b) or (c) of the definition of Excluded Taxes or (C) Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes) on its loans, loan principal, letters of credit, commitments or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Affected Person any other condition, cost or expense (other than Taxes) (A) affecting the Sold Assets, the Seller Collateral, this Agreement, any other Transaction Document, any Program Support Agreement, any Capital or any participation therein or (B) affecting its obligations or rights to make Investments or fund or maintain Capital;

and the result of any of the foregoing shall be to increase the cost to such Affected Person of (A) acting as the Administrative Agent, a Group Agent or a Purchaser hereunder or as a Program Support Provider with respect to the transactions contemplated hereby, (B) making any Investment or funding or maintaining any Capital (or any portion thereof) or (C) maintaining its obligation to make any Investment or to fund or maintain any Capital (or any portion thereof), or to reduce the amount of any sum received or receivable by such Affected Person hereunder, then, upon request of such Affected Person (or its Group Agent), the Seller shall pay to such Affected Person such additional amount or amounts as will compensate such Affected Person for such additional costs incurred or reduction suffered.

(b) *Capital and Liquidity Requirements.* If any Affected Person determines that any Change in Law affecting such Affected Person or any lending office of such Affected Person or such Affected Person's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of (x) increasing the amount of capital required to be maintained by such Affected Person or Affected Person's holding company, if any, or increasing the amount of high quality liquid assets such Affected Person or Affected Person's holding company, if any, is required to maintain as a result of any funding commitment made by such Affected Person under any Transaction Document, (y) reducing the rate of return on such Affected Person's capital or on

the capital of such Affected Person's holding company, if any, or (z) causing an internal capital or liquidity charge or other imputed cost to be assessed upon such Affected Person or Affected Person's holding company, if any, in each case, as a consequence of (A) this Agreement or any other Transaction Document, (B) the commitments of such Affected Person hereunder or under any other Transaction Document or any related Program Support Agreement, (C) the Investments made by such Affected Person, or (D) any Capital (or portion thereof), to a level below that which such Affected Person or such Affected Person's holding company could have achieved but for such Change in Law (taking into consideration such Affected Person's policies and the policies of such Affected Person's holding company with respect to capital adequacy and liquidity), then from time to time, upon request of such Affected Person (or its Group Agent), the Seller will pay to such Affected Person such additional amount or amounts as will compensate such Affected Person or such Affected Person's holding company for any such increase, reduction or charge.

(c) *Reserved.*

(d) *Certificates for Reimbursement.* A certificate of an Affected Person (or its Group Agent on its behalf) setting forth the amount or amounts necessary to compensate such Affected Person or its holding company, as the case may be, as specified in clause (a) or (b) of this Section and delivered to the Seller, shall be conclusive absent manifest error. The Seller shall, subject to the priorities of payment set forth in Section 4.01, pay such Affected Person the amount shown as due on any such certificate on the first Settlement Date occurring after the Seller's receipt of such certificate.

(e) *Delay in Requests.* Failure or delay on the part of any Affected Person to demand compensation pursuant to this Section shall not constitute a waiver of such Affected Person's right to demand such compensation; *provided* that the Seller shall not be required to compensate an Affected Person pursuant to this Section for any increased costs incurred or reductions suffered more than six months prior to the date that such Affected Person notifies the Seller of the Change in Law giving rise to such increased costs or reductions and of such Affected Person'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 six-month period referred to above shall be extended to include the period of retroactive effect thereof).

(f) Anything in Section 5.01(a) to the contrary notwithstanding, if any Affected Person enters into agreements for the acquisition of interests in receivables, notes or other financial assets from one or more Persons, other than the Seller, that has entered into a receivables purchase agreement, receivables transfer agreement, loan agreement or funding agreement with such Person (each, an "*Other Seller*") (or to provide liquidity or credit support therefor), such Affected Person shall ratably allocate the liability for any amounts under this Section 5.01(f), which are generally imposed on or applicable to such Affected Person, to the Seller and each Other Seller; *provided, however*, that if such amounts are solely attributable to the Seller and not attributable to any Other Seller, as determined in such Affected Person's reasonable discretion, the Seller shall be solely liable for such amounts or if such amounts are attributable to Other Sellers and not attributable to the Seller, as determined in such Affected Person's reasonable discretion, such Other Sellers shall be solely liable for such amounts. Any Affected Person claiming any additional amounts payable pursuant to Section 5.01(a) agrees to use its reasonable efforts to designate a different office or

branch of such Affected Person as its lending office if the making of such a designation would avoid the need for, or reduce the amount of, any such additional amounts to be paid by the Seller, so long as any such designation is not otherwise disadvantageous to such Affected Person.

(g) Upon the receipt by the Seller of a claim for reimbursement or compensation under Section 5.01(a) by an Affected Person, if payment thereof shall not be waived by such Affected Person, the Seller shall request one or more of the other Purchasers in such Affected Person's Group, with the consent of the Administrative Agent and the Group Agent for such Group (which consents shall not be unreasonably withheld), to acquire and assume all or a part of such Affected Person's rights and obligations (if any) hereunder (a "*Replacement Person*") and if no such other Purchaser in such Affected Person's Group shall become the Replacement Person, the Seller shall request such claiming Affected Person's Group Agent to use commercially reasonable efforts to assist the Seller at the Seller's sole expense, to attempt to obtain a replacement bank, financial institution or commercial paper conduit, as applicable, satisfactory to the Seller and consented to by the Administrative Agent and the Group Agent for the applicable Group (which consents shall not be unreasonably withheld), to become the Replacement Person. Upon notice from the Seller, an Affected Person being replaced hereunder shall assign, without recourse, its rights and obligations (if any) hereunder, or a ratable share thereof, to the Replacement Person or Replacement Persons designated and consented to as provided in this Section 5.01(g) for a purchase price equal to the sum of the amount of such Affected Person's aggregate outstanding Capital at such time or interests therein so assigned, all accrued and unpaid Yield thereon and any other amounts (including fees and any amounts owing under this Section 5.01) to which such Affected Person is entitled hereunder; *provided*, that the Seller shall have paid all reasonable and documented out-of-pocket costs and expenses incurred by any Affected Person in connection with any such designation or assignment. Notwithstanding the foregoing, (i) no Affected Person which is a Group Agent may be replaced pursuant to this Section 5.01 unless (A) it has consented to such replacement or (B) a successor for such Group Agent has been duly appointed and such Group Agent shall have received payment of all amounts to which it is entitled hereunder; (ii) the Seller need not make any request under this Section 5.01(g) if the replacement of any claiming Affected Person would be more economically or administratively burdensome on the Seller or Servicer than not replacing such Affected Person or if such replacement would be unlawful, and (iii) no Affected Person shall be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Affected Person or otherwise, the circumstances entitling the Seller to require such assignment and delegation cease to apply.

Section 5.02. Funding Losses. (a) The Seller will pay each Purchaser all Breakage Fees.

(b) A certificate of a Purchaser (or its Group Agent on its behalf) setting forth the amount or amounts necessary to compensate such Purchaser, as specified in clause (a) above and delivered to the Seller, shall be conclusive absent manifest error. The Seller shall, subject to the priorities of payment set forth in Section 4.01, pay such Purchaser the amount shown as due on any such certificate on the first Settlement Date occurring after the Seller's receipt of such certificate.

Section 5.03. Taxes. (a) *Payments Free of Taxes.* Any and all payments by or on account of any obligation of the Seller under any Transaction Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as

determined in the good faith discretion of the Seller or applicable withholding agent) requires the deduction or withholding of any Tax from any such payment to a Purchaser Party, Affected Person or Seller Indemnified Party, then the Seller or applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law, and, if such Tax is an Indemnified Tax, then the sum payable by the Seller shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section), the applicable Purchaser Party, Affected Person or Seller Indemnified Party receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) *Payment of Other Taxes by the Seller.* The Seller shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or, at the option of the Administrative Agent, timely reimburse it for the payment of, any Other Taxes.

(c) *Indemnification by the Seller.* The Seller shall indemnify each Affected Person, within ten days after demand therefor, for the full amount of (i) any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Affected Person or required to be withheld or deducted from a payment to such Affected Person and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority and (ii) incremental Taxes that arise solely because an Investment or any Capital is successfully treated for U.S. federal income tax purposes as a purchase and sale of the Sold Receivables rather than as debt for U.S. federal income tax purposes (a “*Tax Recharacterization*”), such indemnification will apply to any U.S. federal income taxes imposed, as necessary to make such Affected Person whole on an after tax basis taking into account the taxability of receipt of payments under this clause (ii) and any reasonable expenses (other than Taxes) solely arising out of the foregoing; provided, (1) that if the applicable Affected Person fails to give notice to the Seller of the imposition of any Indemnified Tax or Tax Recharacterization described in clause (ii) of this paragraph (c) within 120 days following its receipt of actual written notice of the imposition of such Tax, there will be no obligation for the Seller to pay interest or penalties attributable to the period beginning after such 120th day and ending 7 days after the Seller receives notice from the applicable Affected Person and (2) if the applicable Affected Person fails to give notice of a Tax Recharacterization described in clause (ii) of this paragraph (c) and such failure to notify the Seller materially prejudices the Seller’s ability to contest or challenge the Tax Recharacterization then no such incremental Taxes shall be owing and payable to such Affected Person. For purposes of calculating any indemnity under the foregoing clause (ii), it shall be assumed that each beneficial owner of an Investment or of any Capital is (A) entitled to, and will take full advantage of the benefits of any double taxation treaty between the United States and such party’s jurisdiction of organization or jurisdiction of operations (as applicable) and (B) will comply with all required documentation or certification requirements that would be necessary to achieve a reduced or to eliminate any otherwise applicable U.S. federal withholding taxes that would apply to such party. In addition, the foregoing clause (ii) shall be the sole provision in this Agreement pursuant to which any beneficial owner of an Investment or Capital may seek an indemnity in the event of the successful treatment of an Investment or any Capital in a manner other than that described in the Intended Tax Treatment. A certificate as to

the amount of such payment or liability delivered to the Seller by an Affected Person (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of an Affected Person, shall be conclusive absent manifest error.

(d) *Indemnification by the Purchasers.* Each Purchaser (other than the Conduit Purchasers) shall severally indemnify the Administrative Agent, within ten days after demand therefor, for (i) any Indemnified Taxes attributable to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons (but only to the extent that the Seller and its Affiliates have not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting any obligation of the Seller, the Servicer or their Affiliates to do so), (ii) any Taxes attributable to the failure of such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons to comply with Section 14.03(f) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons, in each case, that are payable or paid by the Administrative Agent in connection with any Transaction Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Purchaser (or its Group Agent) by the Administrative Agent shall be conclusive absent manifest error. Each Purchaser (other than the Conduit Purchasers) hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons under any Transaction Document or otherwise payable by the Administrative Agent to such Purchaser, its Related Conduit Purchaser or any of their respective Affiliates that are Affected Persons from any other source against any amount due to the Administrative Agent under this clause (d).

(e) *Evidence of Payments.* As soon as practicable after any payment of Taxes by the Seller to a Governmental Authority pursuant to this Section 5.03, the Seller shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) *Status of Affected Persons.* (i) Any Affected Person that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Transaction Document shall deliver to the Seller and the Administrative Agent, at the time or times reasonably requested by the Seller or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Seller or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Affected Person, if reasonably requested by the Seller or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Seller or the Administrative Agent as will enable the Seller or the Administrative Agent to determine whether or not such Affected Person is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 5.03(f)(ii)(A), 5.03(f)(ii)(B) and 5.03(g)) shall not be required if, in the Affected Person's reasonable judgment, such completion, execution or submission would subject such

Affected Person to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Affected Person.

(ii) Without limiting the generality of the foregoing:

(A) an Affected Person that is a U.S. Person shall deliver to the Seller and the Administrative Agent from time to time upon the reasonable request of the Seller or the Administrative Agent, executed copies of Internal Revenue Service Form W-9 certifying that such Affected Person is exempt from U.S. federal backup withholding tax;

(B) any Affected Person that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Seller and the Administrative Agent (in such number of copies as shall be requested by the Affected Person) from time to time upon the reasonable request of the Seller or the Administrative Agent, whichever of the following is applicable:

(1) in the case of such an Affected Person claiming the benefits of an income tax treaty to which the United States is a party, (x) with respect to payments of interest under any Transaction Document, executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “interest” article of such tax treaty and (y) with respect to any other applicable payments under any Transaction Document, Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the “business profits” or “other income” article of such tax treaty;

(2) executed copies of Internal Revenue Service Form W-8ECI;

(3) in the case of such an Affected Person claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate to the effect that such Affected Person is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Seller within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable; or

(4) to the extent such Affected Person is not the beneficial owner, executed copies of Internal Revenue Service Form W-8IMY, accompanied by Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN or Internal Revenue Service Form W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate, Internal Revenue Service Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that, if such Affected Person is a partnership and one or more direct or indirect partners of such Affected Person are claiming the portfolio interest exemption, such Affected

Person may provide a U.S. Tax Compliance Certificate on behalf of each such direct and indirect partner; and

(C) any Affected Person that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Seller and the Administrative Agent (in such number of copies as shall be requested by the recipient), from time to time upon the reasonable request of the Seller or the Administrative Agent, executed copies of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Seller or the Administrative Agent to determine the withholding or deduction required to be made.

(g) *Documentation Required by FATCA.* If a payment made to an Affected Person under any Transaction Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Affected Person were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Affected Person shall deliver to the Seller and the Administrative Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the Seller or the Administrative Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Seller or the Administrative Agent as may be necessary for the Seller and the Administrative Agent to comply with their obligations under FATCA and to determine that such Affected Person has complied with such Affected Person's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (g), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(h) *Treatment of Certain Refunds.* If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section (including by the payment of additional amounts pursuant to this Section), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) *Survival.* Each party's obligations under this Section 5.03 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Purchaser Party or any other Affected person, the termination of the Commitments and the repayment, satisfaction or discharge of all the Seller Obligations and the Servicer's obligations hereunder.

(j) *Updates.* Each Affected Person agrees that if any form or certification it previously delivered pursuant to this Section 5.03 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Seller and the Administrative Agent in writing of its legal inability to do so.

Section 5.04. Inability to Determine SOFR Rate; Change in Legality. (a) If any Purchaser shall have determined (which determination shall be conclusive and binding upon the parties hereto absent manifest error) before the first day of any Yield Period (with respect to the SOFR Rate determined by reference to the Term SOFR Rate) or on any day (with respect to the SOFR Rate determined by reference to Daily 1M SOFR), either that: (i) the SOFR Rate cannot be determined because it is not available or published on a current basis, (ii) adequate and reasonable means do not exist for ascertaining the SOFR Rate for such Tranche Period, Yield Period or day, as applicable, or (iii) the SOFR Rate determined pursuant hereto does not accurately reflect the cost to the applicable Purchaser (as conclusively determined by such Purchaser) of funding or maintaining any Portion of Capital during such Tranche Period, Yield Period or day, as applicable, such Purchaser shall promptly give telephonic notice of such determination, confirmed in writing, to the Administrative Agent and the Seller before the first day of any Yield Period (with respect to the SOFR Rate determined by reference to the Term SOFR Rate) or on such day (with respect to the SOFR Rate determined by reference to Daily 1M SOFR). Upon delivery of such notice: (i) no Portion of Capital shall be funded thereafter at the SOFR Rate, and shall instead be funded at the Base Rate, unless and until such Purchaser shall have given notice to the Seller and the Administrative Agent that the circumstances giving rise to such determination no longer exist and (ii) with respect to any outstanding Portion of Capital then funded at the SOFR Rate, the Yield Rate with respect to such Portion of Capital shall automatically be converted to the Base Rate on the last day of the then-current Yield Period (with respect to the SOFR Rate determined by reference to the Term SOFR Rate) or immediately (with respect to the SOFR Rate determined by reference to Daily 1M SOFR).

(b) If at any time any time any Purchaser shall have determined (which determination shall be final and conclusive absent manifest error) that the funding or maintenance of any Portion of Capital at or by reference to the SOFR Rate has been made impracticable or unlawful by compliance by such Purchaser in good faith with any Applicable Law or any interpretation or application thereof by any Governmental Authority or with any request or directive of any such Governmental Authority (whether or not having the force of law), such Purchaser shall notify the Seller and the Administrative Agent thereof. Upon receipt of such notice, until the applicable Purchaser notifies the Seller and the Administrative Agent that the circumstances giving rise to such determination no longer apply, (i) no Portion of Capital shall be funded thereafter at the SOFR Rate, and shall instead be funded at the Base Rate, unless and until such Purchaser shall have given notice to the Administrative Agent and the Seller that the circumstances giving rise to such determination no longer exist and (ii) with respect to any outstanding Portion of Capital then

funded at the SOFR Rate, the Yield Rate with respect to such Portion of Capital shall automatically and immediately be converted to the Base Rate.

(c) (i) Notwithstanding anything to the contrary herein or in any other Transaction Document (and any Hedging Agreement shall be deemed not to be a “Transaction Document” for purposes of this Section), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any other Transaction Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Seller and the Purchasers without any amendment to, or further action or consent of any other party to, this Agreement or any other Transaction Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Purchasers comprising the Majority Purchasers.

(ii) In connection with the implementation and administration of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document; *provided*, that any such amendment implementing such Conforming Changes that results in any incremental material cost or expense for the Seller will not become effective without the consent of the Seller.

(iii) The Administrative Agent will promptly notify the Seller and the Purchasers of (A) any occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, (B) the implementation of any Benchmark Replacement, (C) the effectiveness of any Conforming Changes, (D) the removal or reinstatement of any tenor of a Benchmark pursuant to paragraph (iv) below and (E) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Purchaser (or group of Purchasers) pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Transaction Document except, in each case, as expressly required pursuant to this Section.

(iv) Notwithstanding anything to the contrary herein or in any other Transaction Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if the then-current Benchmark is a term rate and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of “Tranche Period” or “Yield Period” (or any similar or analogous definition) for any Benchmark settings at or after such

time to remove such unavailable or non-representative tenor and (B) if a tenor that was removed pursuant to clause (A) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Tranche Period” or “Yield Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Upon the Seller’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Seller may revoke any request for an Investment, or a conversion to or continuation of Capital, accruing Yield at the SOFR Rate to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Seller will be deemed to have converted any such request into a request for an Investment, or a conversion of Capital to Capital, accruing Yield at the Base Rate, and, for the avoidance of doubt, all outstanding Capital accruing Yield at the SOFR Rate shall automatically be converted to Capital accruing Yield at the Base Rate. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

(vi) As used in this Section:

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate or is based on a term rate, any tenor for such Benchmark that is or may be used for determining the length of a Tranche Period or Yield Period or (y) otherwise, any payment period for Yield calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

“Benchmark” means, initially, the SOFR Rate; provided that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the SOFR Rate or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to this Section. Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof.

“Benchmark Replacement” means, for any Available Tenor, the sum of (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Seller as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment;

provided that if the Benchmark Replacement as so determined above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of

this Agreement and the other Transaction Documents and provided further, that any such Benchmark Replacement shall be administratively feasible as determined by the Administrative Agent in its sole discretion.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor for any setting of such Unadjusted Benchmark Replacement the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Seller for the applicable Corresponding Tenor giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time; provided that, if the then-current Benchmark is a term rate, more than one tenor of such Benchmark is available as of the applicable Benchmark Replacement Date and the applicable Unadjusted Benchmark Replacement will not be a term rate, the Available Tenor of such Benchmark for purposes of this definition of “Benchmark Replacement Adjustment” shall be deemed to be the Available Tenor that has approximately the same length (disregarding business day adjustments) as the payment period for interest calculated with reference to such Unadjusted Benchmark Replacement.

“Benchmark Replacement Date” means a date and time determined by the Administrative Agent, which date shall be at the end of a Tranche Period, Yield Period or day (as applicable) and no later than the earliest to occur of the following events with respect to the then-current Benchmark:

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

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date determined by the Administrative Agent, which date shall promptly follow the date of the public statement or publication of information referenced therein;

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

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

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

(2) a public statement or publication of information by a Governmental Authority having jurisdiction over the Administrative Agent, the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) or a Governmental Authority having jurisdiction over the Administrative Agent announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

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

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

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

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the SOFR Rate or, if no floor is specified, zero.

“Reference Time” means, with respect to any setting of the then-current Benchmark, the time determined by the Administrative Agent in its reasonable discretion.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

Section 5.05. Back-Up Security Interest. (a) If, notwithstanding the intent of the parties stated in Section 2.01(c), the sale, assignment and transfer of any Sold Assets to the Administrative Agent (for the ratable benefit of the Purchasers) hereunder (including pursuant to Section 2.01(b)) is not treated as a sale for all purposes (except as provided in Sections 2.01(d) and 14.14), then such sale, assignment and transfer of such Sold Assets shall be treated as the grant of a security interest by the Seller to the Administrative Agent (for the ratable benefit of the Purchasers) to secure the payment and performance of all the Seller’s obligations to the Administrative Agent, the Purchasers and the other Secured Parties hereunder and under the other Transaction Documents (including all Seller Obligations). Therefore, as security for the performance by the Seller of all the terms, covenants and agreements on the part of the Seller to be performed under this Agreement or any other Transaction Document, including the punctual payment when due of the Aggregate Capital and all Yield and all other Seller Obligations, the Seller hereby grants to the Administrative Agent for its benefit and the ratable benefit of the Secured Parties, a continuing security interest in, all of the Seller’s right, title and interest in, to and under all of the Sold Assets, whether now or hereafter owned, existing or arising, *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

(b) The Administrative Agent (for the benefit of the Secured Parties) shall have, with respect to all the Sold Assets, and in addition to all the other rights and remedies available to the Administrative Agent (for the benefit of the Secured Parties), all the rights and remedies of a secured party under any applicable UCC. The Seller hereby authorizes the Administrative Agent to file financing statements describing the collateral covered thereby as “all of the debtor’s personal property or assets” or words to that effect, notwithstanding that such wording may be broader in scope than the collateral described in this Agreement.

(c) For the avoidance of doubt, (i) the grant of security interest pursuant to this Section 5.05 shall be in addition to, and shall not be construed to limit or modify, the sale of Sold Assets pursuant to Section 2.01(b) or the Seller’s grant of security interest pursuant to Section 3.09, (ii) nothing in Section 2.01 shall be construed as limiting the rights, interests (including any security interest), obligations or liabilities of any party under this Section 5.05, and (iii) subject to the foregoing clauses (i) and (ii), this Section 5.05 shall not be construed to contradict the intentions of the parties set forth in Section 2.01(c).

ARTICLE VI

CONDITIONS TO EFFECTIVENESS AND INVESTMENTS

Section 6.01. Reserved.

Section 6.02. Conditions Precedent to All Investments. Each Investment hereunder on or after the Closing Date shall be subject to the conditions precedent that:

(a) the Seller shall have delivered to the Administrative Agent and each Group Agent an Investment Request for such Investment, in accordance with Section 2.02(a);

(b) the Servicer shall have delivered to the Administrative Agent and each Group Agent all Information Packages required to be delivered hereunder;

(c) the conditions precedent to such Investment specified in Section 2.01(i) through (iv), shall be satisfied;

(d) on the date of such Investment the following statements shall be true and correct (and upon the occurrence of such Investment, the Seller and the Servicer shall be deemed to have represented and warranted that such statements are then true and correct):

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 are true and correct in all material respects (except such representations that are qualified by materiality, which shall be correct in all respects) on and as of the date of such Investment as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects (except such representations that are qualified by materiality, which shall be correct in all respects) on and as of such earlier date;

(ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, and no Event of Termination or Unmatured Event of Termination would result from such Investment;

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Investment;

(iv) the Termination Date has not occurred; and

(v) after giving effect to such Investment, the Aggregate Capital shall be equal to or greater than an amount that is equal to the lesser of (a) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (b) the Capital Coverage Amount at such time.

Section 6.03. Conditions Precedent to All Releases. Each Release hereunder on or after the Closing Date shall be subject to the conditions precedent that:

(a) after giving effect to such Release, the Servicer shall be holding in trust for the benefit of the Secured Parties an amount of Collections sufficient to pay the sum of (x) all accrued and unpaid Servicing Fees, Yield, Fees and Breakage Fees, in each case, through the date of such Release, (y) the amount of any Capital Coverage Deficit and (z) the amount of all other accrued and unpaid Seller Obligations through the date of such Release; *provided*, the Servicer shall not be required to segregate such amount of Collections;

(b) on the date of such Release the following statements shall be true and correct (and upon the occurrence of such Release, the Seller and the Servicer shall be deemed to have represented and warranted that such statements are then true and correct):

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 are true and correct in all material respects (except such representations that are qualified by materiality, which shall be correct in all respects) on and as of the date of such Release as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects (except such representations that are qualified by materiality, which shall be correct in all respects) on and as of such earlier date;

(ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, and no Event of Termination or Unmatured Event of Termination would result from such Release;

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Release;

(iv) the Aggregate Capital shall be equal to or greater than an amount that is equal to the lesser of (A) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (B) the Capital Coverage Amount at such time; and

(v) the Termination Date has not occurred.

Section 6.04. Conditions Precedent to Restatement Effective Date. This Agreement shall become effective as of the Restatement Effective Date when (a) the Administrative Agent shall have received each of the documents, agreements (in fully executed form), opinions of counsel, lien search results, UCC filings, certificates and other deliverables listed on the closing memorandum attached as Exhibit I-2 hereto, in each case, in form and substance acceptable to the Administrative Agent and (b) all fees and expenses payable by the Seller on the Restatement Effective Date to the Purchaser Parties have been paid in full in accordance with the terms of the Transaction Documents.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES

Section 7.01. Representations and Warranties of the Seller. The Seller represents and warrants to each Purchaser Party as of the Closing Date, the Restatement Effective Date, on each Settlement Date, on each date on which any Information Package or other report is delivered to the Administrative Agent or any Purchaser hereunder, and on each day on which an Investment or Release shall have occurred:

(a) *Organization and Good Standing.* The Seller is a limited liability company duly organized and validly existing in good standing under the laws of the State of Delaware and has full power and authority under its constitutional documents and under the laws of its jurisdiction to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted.

(b) *Due Qualification.* The Seller is duly qualified to do business as a limited liability company, is in good standing as a foreign limited liability company, and has obtained all necessary licenses and approvals in all jurisdictions in which the conduct of its business requires such qualification, licenses or approvals, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) *Power and Authority; Due Authorization.* The Seller (i) has all necessary limited liability company power and authority to (A) execute and deliver this Agreement and the other Transaction Documents to which it is a party, (B) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and (C) grant a security interest in the Sold Assets and Seller Collateral to the Administrative Agent on the terms and subject to the conditions herein provided and (ii) has duly authorized by all necessary limited liability company action such grant and the execution,

delivery and performance of, and the consummation of the transactions provided for in, this Agreement and the other Transaction Documents to which it is a party.

(d) *Binding Obligations.* This Agreement and each of the other Transaction Documents to which the Seller is a party have been duly executed and delivered and constitutes the legal, valid and binding obligations of the Seller, enforceable against the Seller in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) *No Conflict or Violation.* The execution, delivery and performance of, and the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents to which the Seller is a party, and the fulfillment of the terms hereof and thereof, will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under its organizational documents or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument to which the Seller is a party or by which it or any of its properties is bound, (ii) result in the creation or imposition of any Adverse Claim upon any of the Sold Assets or Seller Collateral pursuant to the terms of any such indenture, credit agreement, loan agreement, security agreement, mortgage, deed of trust, or other agreement or instrument other than this Agreement and the other Transaction Documents or (iii) conflict with or violate any Applicable Law.

(f) *Litigation and Other Proceedings.* (i) There is no action, suit, proceeding or investigation pending or, to the knowledge of the Seller, threatened, against the Seller before any Governmental Authority and (ii) the Seller is not subject to any order, judgment, decree, injunction, stipulation or consent order of or with any Governmental Authority that, in the case of either of the foregoing clauses (i) and (ii), (A) purports to affect the legality, validity or enforceability of this Agreement or any other Transaction Document, (B) individually or in the aggregate for all such actions, suits, proceedings and investigations could reasonably be expected to have a Material Adverse Effect, or (C) is not disclosed in a filing by the Seller with the SEC.

(g) *Governmental Approvals.* Except where the failure to obtain or make such authorization, consent, order, approval or action could not reasonably be expected to have a Material Adverse Effect, all authorizations, consents, orders and approvals of, or other actions by, any Governmental Authority that are required to be obtained by the Seller in connection with the grant of a security interest in the Sold Assets or the Seller Collateral to the Administrative Agent hereunder or the due execution, delivery and performance by the Seller of this Agreement or any other Transaction Document to which it is a party and the consummation by the Seller of the transactions contemplated by this Agreement and the other Transaction Documents to which it is a party have been obtained or made and are in full force and effect.

(h) *Margin Regulations.* The Seller is not engaged, principally or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meanings of Regulations T, U and X of the Board of Governors of the Federal Reserve System).

(i) *Solvency.* The Seller is Solvent.

(j) *Offices; Legal Name.* The Seller's sole jurisdiction of organization is the State of Delaware and such jurisdiction has not changed within four months prior to the date of this Agreement. The office of the Seller is located at 30 Hudson Yards, New York, New York 10001 (or such other office as is notified to the Administrative Agent by the Seller in accordance with this Agreement). The legal name of the Seller is Warner Bros. Discovery Receivables Funding, LLC (or such name as is notified to the Administrative Agent by the Seller in accordance with this Agreement).

(k) *Investment Company Act; Volcker Rule.* (i) The Seller is not, and is not controlled by, an "investment company" registered or required to be registered under the Investment Company Act and (ii) the transactions contemplated by this Agreement and the Transaction Documents do not result in the Administrative Agent or any Purchaser having an ownership interest in the Seller. For purposes of this clause (k), "ownership interest" has the meaning set forth in § _____.10(d)(6) of the Volcker Rule.

(l) *No Material Adverse Effect.* Since the date of formation of the Seller, there has been no Material Adverse Effect with respect to the Seller.

(m) *Accuracy of Information.* All Information Packages, Investment Requests, certificates, reports, statements, documents and other information furnished in writing to the Administrative Agent or any other Purchaser Party by or on behalf of the Seller pursuant to any provision of this Agreement or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement or any other Transaction Document (taken as a whole and combined with all information previously furnished to the Administrative Agent or such other Purchaser Party), in light of the circumstances under which such information was furnished, was, at the time the same were so furnished, true and accurate in all material respects on the date the same were furnished to the Administrative Agent or such other Purchaser Party, and does not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not misleading.

(n) *Sanctions.* (i) The Seller represents and warrants that each Covered Entity, and its directors and officers, and to Seller's knowledge, any employee, agent, or affiliate acting on behalf of such Covered Entity: (a) is not a Sanctioned Person; (b) does not do any business in or with, or derive any of its operating income from direct or indirect investments in or transactions involving, any Sanctioned Jurisdiction or Sanctioned Person; in each case in violation of applicable Sanctions, and (c) is not in material violation of, and has not, during the past five (5) years, directly or indirectly, knowingly taken any act that could cause any Covered Entity to be in material violation of, applicable Sanctions. Other

than as notified in writing to the Administrative Agent, no Covered Entity nor any of its directors, officers, or to the knowledge of any Seller-Related Party, its employees, agents or affiliates acting on behalf of such Covered Entity has, during the past five (5) years, received any notice or communication from any Governmental Authority that alleges potential violation of any applicable Sanctions. Each Covered Entity has instituted and maintains policies and procedures reasonably designed to ensure compliance with applicable Sanctions. The Seller represents and warrants that none of the Sold Assets or Seller Collateral constitutes Blocked Property.

(ii) The Seller represents and warrants that each Covered Entity, and its directors and officers, and to Seller's knowledge any employee, agent, or affiliate acting on behalf of such Covered Entity, is not in material violation of, and has not, during the past five (5) years, directly or indirectly, knowingly taken any act (including any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of payment, directly or indirectly, of any money or anything of value (including any gift, sample, rebate, travel, meal and lodging expense, entertainment, service, equipment, debt forgiveness, donation, grant or other thing of value, however characterized) to any Government Official or any Person to secure any improper advantage or to obtain or retain business) that would cause any Covered Entity to be in material violation of, Anti-Corruption Laws. Other than as notified in writing to the Administrative Agent, no Covered Entity nor any of its directors, officers, or to the knowledge of any Seller-Related Party, its employees, agents or affiliates acting on behalf of such Covered Entity has, during the past five (5) years, received any notice or communication from any Governmental Authority that alleges potential violation of any Anti-Corruption Laws. Each Covered Entity has instituted and maintains policies and procedures reasonably designed to ensure compliance with Anti-Corruption Laws.

(o) *Linked Accounts.* There are no deposit accounts or other similar accounts that are "*linked accounts*" tied to any Collection Account unless the applicable depository bank has agreed pursuant to the applicable Account Control Agreement governing such Collection Account that such account will be de-linked upon the Administrative Agent delivering a notice of exclusive control or similar notice under the Account Control Agreement related to such Collection Account.

(p) *Perfection Representations.*

(i) This Agreement creates a valid and continuing ownership or security interest (as defined in the applicable UCC) in the Seller's right, title and interest in, to and under the Sold Assets and Seller Collateral which (A) ownership or security interest has been perfected and is enforceable against creditors of and purchasers from the Seller and (B) will be free of all Adverse Claims in such Sold Assets and Seller Collateral other than Permitted Liens.

(ii) Prior to the sale of, or grant of security interest in, the Sold Assets and Seller Collateral hereunder, the Seller owns and has good and marketable title to such Sold Assets and Seller Collateral free and clear of any Adverse Claim of any Person other than

Permitted Liens. After giving effect to the sale of, or grant of security interest in, the Sold Assets and Seller Collateral hereunder, the Administrative Agent owns or has a first priority perfected security interest in the Sold Assets and Seller Collateral free and clear of any Adverse Claim of any Person other than Permitted Liens.

(iii) All appropriate financing statements, financing statement amendments and continuation statements have been filed in the proper filing office in the appropriate jurisdictions under Applicable Law in order to perfect (and continue the perfection of) the Seller's sale of, and/or grant of a security interest in, the Sold Assets and Seller Collateral (solely to the extent perfection may be achieved by filing a financing statement under the UCC) to the Administrative Agent pursuant to this Agreement.

(iv) Other than the security interest granted to the Administrative Agent pursuant to this Agreement, the Seller has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Sold Assets or Seller Collateral except as permitted by this Agreement and the other Transaction Documents. The Seller has not authorized the filing of and is not aware of any financing statements filed against the Seller that include a description of collateral covering the Sold Assets or Seller Collateral other than any financing statement (i) in favor of the Administrative Agent or (ii) that has been terminated.

(v) Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations contained in this Section 7.01(p) shall be continuing and remain in full force and effect until the Final Payout Date.

(q) *The Lock-Boxes and Collection Accounts.*

(i) *Nature of Collection Accounts.* As of the date each Collection Account is established, such Collection Account constitutes a "deposit account" within the meaning of the applicable UCC.

(ii) *Ownership.* Except with respect to an Excluded Collection Account, each Lock-Box and Collection Account is in the name of the Seller, and the Seller owns and has good and marketable title to the Collection Accounts free and clear of any Adverse Claim. Each Excluded Collection Account is in the name of the applicable Excluded Collection Account Owner, and the applicable Excluded Collection Account Owner owns and has good and marketable title to such Excluded Collection Account free and clear of any Adverse Claim.

(iii) *Perfection.* The Seller has delivered or caused to be delivered to the Administrative Agent a fully executed Account Control Agreement relating to each Lock-Box and Collection Account other than (x) the CAD Exception Account (unless the CAD Exception Account becomes subject to an Account Control Agreement in accordance with Section 9.03), and (y) each Excluded Collection Account. The Administrative Agent has "control" (as defined in Section 9-104 of the UCC) over each Collection Account other than (x) the CAD Exception Account (unless CAD Exception Account becomes subject to

an Account Control Agreement in accordance with Section 9.03), and (y) each Excluded Collection Account.

(iv) *Instructions.* None of the Seller, the Servicer nor any Excluded Collection Account Owner, as applicable, has consented to the applicable Collection Account Bank complying with instructions of any Person other than the Administrative Agent or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner.

(r) *Ordinary Course of Business.* Each remittance of Collections by or on behalf of the Seller to the Purchaser Parties under this Agreement will have been (i) in payment of an obligation incurred by the Seller in the ordinary course of business or financial affairs of the Seller and (ii) made in the ordinary course of business or financial affairs of the Seller.

(s) *Event of Termination.* No Event of Termination or Unmatured Event of Termination has occurred or will result from any Investment or Release.

(t) *Bulk Sales Act.* No transaction contemplated by this Agreement requires compliance by it with any bulk sales act or similar law.

(u) *Eligible Receivables.* Each Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance as of any date is an Eligible Receivable as of such date.

(v) *Taxes.* The Seller has (i) timely filed all U.S. federal and other material tax returns required to be filed by it and (ii) paid, or caused to be paid, all taxes, assessments and other governmental charges, if any, other than taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with GAAP, except in each case to the extent that such failure to file or pay could not reasonably be expected to have a Material Adverse Effect.

(w) *Tax Status.* The Seller has not been characterized as an association (or publicly traded partnership) taxable as a corporation or as a taxable mortgage pool, for U.S. federal income tax purposes. The Seller is not subject to U.S. federal net income tax and its distributions or allocations of income are not subject to U.S. federal withholding tax under Section 1445 or 1446 of the Code.

(x) *Opinions.* The facts regarding the Seller, the Servicer, each Originator, Discovery as Performance Guarantor, the Receivables, the Related Security and the related matters set forth or assumed in the opinion of counsel regarding true sale and substantive consolidation matters delivered in connection with this Agreement and the other Transaction Documents are true and correct in all material respects.

(y) *Other Transaction Documents.* Each representation and warranty made by the Seller under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

(z) *Liquidity Coverage Ratio.* The Seller does not and will not during this Agreement issue any LCR Security. The Seller further represents and warrants that its assets and liabilities are consolidated with the assets and liabilities of the Parent for purposes of GAAP.

(aa) *Beneficial Ownership Regulation.* As of the Restatement Effective Date, the Seller is an entity that is organized under the laws of the United States or of any state and at least 51% of whose common stock or analogous equity interest is owned directly or indirectly by a company listed on the New York Stock Exchange or the American Stock Exchange or designated as a NASDAQ National Market Security listed on the NASDAQ stock exchange and is excluded on that basis from the definition of “Legal Entity Customer” as defined in the Beneficial Ownership Regulation.

Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations and warranties contained in this Section shall be continuing and remain in full force and effect until the Final Payout Date.

Section 7.02. Representations and Warranties of the Servicer. The Servicer represents and warrants to each Purchaser Party as of the Closing Date, the Restatement Effective Date, on each Settlement Date, on each date on which any Information Package or other report is delivered to the Administrative Agent or any Purchaser hereunder, and on each day on which an Investment or Release shall have occurred:

(a) *Organization and Good Standing.* The Servicer is a duly organized and validly existing corporation or other entity in good standing under the laws of its jurisdiction of organization, with the power and authority under its organizational documents and under the laws of its jurisdiction of organization to own its properties and to conduct its business as such properties are currently owned and such business is presently conducted.

(b) *Due Qualification.* The Servicer is duly qualified to do business, is in good standing as a foreign entity and has obtained all necessary licenses and approvals in all jurisdictions in which the conduct of its business or the servicing of the Pool Receivables as required by this Agreement requires such qualification, licenses or approvals, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) *Power and Authority; Due Authorization.* The Servicer has all necessary power and authority to (i) execute and deliver this Agreement and the other Transaction Documents to which it is a party and (ii) perform its obligations under this Agreement and the other Transaction Documents to which it is a party and the execution, delivery and performance of, and the consummation of the transactions provided for in, this Agreement

and the other Transaction Documents to which it is a party have been duly authorized by the Servicer by all necessary action.

(d) *Binding Obligations.* This Agreement and each of the other Transaction Documents to which it is a party have been duly executed and delivered and constitutes legal, valid and binding obligations of the Servicer, enforceable against the Servicer in accordance with their respective terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (ii) as such enforceability may be limited by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) *No Conflict or Violation.* The execution and delivery of this Agreement and each other Transaction Document to which the Servicer is a party, the performance of the transactions contemplated by this Agreement and the other Transaction Documents and the fulfillment of the terms of this Agreement and the other Transaction Documents by the Servicer will not (i) conflict with, result in any breach of any of the terms or provisions of, or constitute (with or without notice or lapse of time or both) a default under, the organizational documents of the Servicer or any indenture, sale agreement, credit agreement, loan agreement, security agreement, mortgage, deed of trust or other agreement or instrument to which the Servicer is a party or by which it or any of its property is bound except where such conflict, breach or default could not reasonably be expected to have a Material Adverse Effect, or (ii) conflict with or violate any Applicable Law, except to the extent that any such conflict, breach, default, Adverse Claim or violation could not reasonably be expected to have a Material Adverse Effect.

(f) *Litigation and Other Proceedings.* There is no action, suit, proceeding or investigation pending, or to the Servicer's knowledge threatened, against the Servicer before any Governmental Authority: (i) purporting to affect the legality, validity or enforceability of this Agreement or any of the other Transaction Documents; (ii) seeking to prevent the consummation of any of the transactions contemplated by this Agreement or any other Transaction Document; or (iii) seeking any determination or ruling that could materially and adversely affect the performance by the Servicer of its obligations under, or the validity or enforceability of, this Agreement or any of the other Transaction Documents.

(g) *No Consents.* The Servicer is not required to obtain the consent of any other party or any consent, license, approval, registration, authorization or declaration of or with any Governmental Authority in connection with the execution, delivery, or performance of this Agreement or any other Transaction Document to which it is a party that has not already been obtained, except where the failure to obtain such consent, license, approval, registration, authorization or declaration could not reasonably be expected to have a Material Adverse Effect.

(h) *Compliance with Laws.* The Servicer has maintained in effect all qualifications required under Applicable Law in order to service each Pool Receivable and the related Contract, if any, in accordance with this Agreement except where the failure to

do so would not have a Material Adverse Effect and has complied in all material respects with all other requirements of Applicable Law in connection with servicing each Pool Receivable and the related Contract.

(i) *Accuracy of Information.* All Information Packages, Investment Requests, certificates, reports, statements, documents and other information furnished in writing to the Administrative Agent or any other Purchaser Party by the Servicer or on behalf of the Seller pursuant to any provision of this Agreement or any other Transaction Document, or in connection with or pursuant to any amendment or modification of, or waiver under, this Agreement or any other Transaction Document (taken as a whole and combined with all information previously furnished to the Administrative Agent or such other Purchaser Party), in light of the circumstances under which such information was furnished, was, at the time the same were so furnished, true and accurate in all material respects on the date the same were furnished to the Administrative Agent or such other Purchaser Party, and does not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not misleading.

(j) *Location of Records.* The offices where the initial Servicer keeps all of its records relating to the servicing of the Pool Receivables are located at One CNN Center, Atlanta, GA 30303.

(k) *Credit and Collection Policy.* The Servicer has complied in all material respects with the Credit and Collection Policy with regard to each Pool Receivable and the related Contracts.

(l) *Eligible Receivables.* Each Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance as of any date is an Eligible Receivable as of such date.

(m) *Servicing Programs.* No license or approval is required for the Administrative Agent's use of any software or other computer program used by the Servicer, any Originator, or any Sub-Servicer in the servicing of the Pool Receivables, other than those which have been obtained and are in full force and effect.

(n) *Servicing of Pool Receivables.* Since the Restatement Effective Date there has been no material adverse change in the ability of the Servicer or any Sub-Servicer to service and collect the Pool Receivables and the Related Security.

(o) *Other Transaction Documents.* Each representation and warranty made by the Servicer under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

(p) *No Material Adverse Effect.* Since December 31, 2021, there has been no Material Adverse Effect on the Servicer.

(q) *Investment Company Act.* The Servicer is not an “investment company,” or a company “controlled” by an “investment company,” within the meaning of the Investment Company Act.

(r) *Sanctions.* (i) The Servicer represents and warrants that each Covered Entity, and its directors and officers, and to Servicer’s knowledge, any employee, agent, or affiliate acting on behalf of such Covered Entity: (a) is not a Sanctioned Person; (b) does not do any business in or with, or derive any of its operating income from direct or indirect investments in or transactions involving, any Sanctioned Jurisdiction or Sanctioned Person, in each case in violation of applicable Sanctions; and (c) is not in material violation of, and has not, during the past five (5) years, directly or indirectly, knowingly taken any act that could cause any Covered Entity to be in material violation of, applicable Sanctions. Other than as notified in writing to the Administrative Agent, no Covered Entity nor any of its directors, officers, or to the knowledge of any Seller-Related Party, its employees, agents or affiliates acting on behalf of such Covered Entity has, during the past five (5) years, received any notice or communication from any Governmental Authority that alleges potential violation of any applicable Sanctions. Each Covered Entity has instituted and maintains policies and procedures reasonably designed to ensure compliance with applicable Sanctions. The Servicer represents and warrants that none of the Sold Assets or Seller Collateral constitutes Blocked Property.

(ii) The Servicer represents and warrants that each Covered Entity, and its directors and officers, and to Servicer’s knowledge any employee, agent, or affiliate acting on behalf of such Covered Entity, is not in material violation of, and has not, during the past five (5) years, directly or indirectly, knowingly taken any act (including any act in furtherance of an offer, payment, promise to pay, authorization, or ratification of payment, directly or indirectly, of any money or anything of value (including any gift, sample, rebate, travel, meal and lodging expense, entertainment, service, equipment, debt forgiveness, donation, grant or other thing of value, however characterized) to any Government Official or any Person to secure any improper advantage or to obtain or retain business) that would cause any Covered Entity to be in material violation of, Anti-Corruption Laws. Other than as notified in writing to the Administrative Agent, no Covered Entity nor any of its directors, officers, or to the knowledge of any Seller-Related Party, its employees, agents or affiliates acting on behalf of such Covered Entity has, during the past five (5) years, received any notice or communication from any Governmental Authority that alleges potential violation of any Anti-Corruption Laws. Each Covered Entity has instituted and maintains policies and procedures reasonably designed to ensure compliance with Anti-Corruption Laws.

(s) *Event of Termination.* No Event of Termination or Unmatured Event of Termination has occurred or will result from any Investment or Release.

(t) *Financial Condition.* The consolidated balance sheets of the Parent and its consolidated Subsidiaries as of December 31, 2021, and the related statements of income and shareholders’ equity of the Parent and its consolidated Subsidiaries for the fiscal quarter then ended, copies of which have been furnished to the Administrative Agent and

the Group Agents, present fairly in all material respects the consolidated financial position of the Parent and its consolidated Subsidiaries for the period ended on such date, all in accordance with GAAP.

(u) *Reserved*

(v) *Reserved.*

(w) *Opinions.* The facts regarding the Seller, the Servicer, each Originator, Discovery as Performance Guarantor, the Receivables, the Related Security and the related matters set forth or assumed in the opinion of counsel regarding true sale and substantive consolidation matters delivered in connection with this Agreement and the other Transaction Documents are true and correct in all material respects.

(x) *Other Transaction Documents.* Each representation and warranty made by the Servicer under each other Transaction Document to which it is a party is true and correct in all material respects as of the date when made.

Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations and warranties contained in this Section shall be continuing and remain in full force and effect until the Final Payout Date.

ARTICLE VIII

COVENANTS

Section 8.01. Covenants of the Seller. At all times from the Closing Date until the Final Payout Date:

(a) *Reserved.*

(b) *Existence.* The Seller shall keep in full force and effect its existence and rights as a limited liability company under the laws of the State of Delaware and shall obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement, the other Transaction Documents, the Sold Assets, and the Seller Collateral.

(c) *Financial Reporting.* The Seller will maintain a system of accounting established and administered in accordance with GAAP, and the Seller (or the Servicer on its behalf) shall furnish to the Administrative Agent and each Group Agent:

(i) *Annual Financial Statements of the Seller.* Promptly upon completion and in no event later than 90 days after the close of each fiscal year of the Seller (or, if applicable, the date on which the audited financial statements of the Parent are delivered in accordance with Section 8.01(c)(v)), annual unaudited financial statements of the Seller certified by a Financial Officer of the Seller that

they fairly present in all material respects, in accordance with GAAP, the financial condition of the Seller as of the date indicated and the results of its operations for the periods indicated.

(ii) *Information Packages.* As soon as available and in any event not later than two (2) Business Days prior to each Settlement Date, an Information Package as of the most recently completed Fiscal Month; *provided, however*, that in the event the long-term credit rating of the then applicable Performance Guarantor is downgraded to below or equal to B+ by S&P or B1 by Moody's, the Administrative Agent or the Majority Group Agents may request that the Seller provide an interim report with respect to the Pool Receivables containing such information as the Administrative Agent may reasonably request (until otherwise notified by the Administrative Agent or the long-term credit rating of the then applicable Performance Guarantor is upgraded to above B+ by S&P or B1 by Moody's) by the third Business Day of each week; *further, provided, however*, that at any time when an Event of Termination has occurred and is continuing, the Seller shall furnish to the Administrative Agent promptly upon request an interim report with respect to the Pool Receivables containing such information as the Administrative Agent may reasonably request.

(iii) *Other Information.* Such other information (including non-financial information) as the Administrative Agent or any Group Agent may from time to time reasonably request.

(iv) *Quarterly Financial Statements of Parent.* As soon as available and in no event later than 45 days following the end of each of the first three fiscal quarters in each of Parent's fiscal years (or, if applicable, the date on which the Parent is required to file its quarterly report on Form 10-Q by the SEC), (i) the unaudited consolidated balance sheet and statements of income of Parent and its consolidated Subsidiaries as at the end of such fiscal quarter and the related unaudited consolidated statements of earnings and cash flows for such fiscal quarter and for the elapsed portion of the fiscal year ended with the last day of such fiscal quarter, in each case setting forth comparative figures for the corresponding fiscal quarter in the prior fiscal year, all of which shall be certified by a Financial Officer of Parent that they fairly present in all material respects, in accordance with GAAP, the financial condition of Parent and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated, subject to normal year-end audit adjustments and the absence of footnotes and (ii) management's discussion and analysis of the important operational and financial developments during such fiscal quarter.

(v) *Annual Financial Statements of Parent.* Within 90 days after the close of each of Parent's fiscal years (or, if applicable, the date on which the Parent is required to file its quarterly report on Form 10-K by the SEC), the consolidated balance sheet of Parent and its consolidated Subsidiaries as at the end of such fiscal year and the related consolidated statements of earnings and cash flows for such

fiscal year setting forth comparative figures for the preceding fiscal year, all reported on by independent certified public accountants of recognized national standing (without (x) a “going concern” or like qualification or exception or (y) a qualification as to the scope of the audit) to the effect that such consolidated financial statements present fairly in all material respects, in accordance with GAAP, the financial condition of Parent and its consolidated Subsidiaries as of the dates indicated and the results of their operations for the periods indicated.

(vi) Unless otherwise set forth herein, any financial information or other material required to be delivered pursuant to this paragraph (c) with respect to the Parent shall be deemed to have been furnished to each of the Administrative Agent and each Group Agent on the earlier of (A) the date that such financial information or other material is posted on the SEC’s website at www.sec.gov and (B) the date on which the Parent posts such financial information or other material on its website on the Internet at www.att.com or at such other website identified by the Seller in a notice to the Administrative Agent and the Purchasers and that is accessible by the Purchasers without charge.

(d) *Notices.* The Seller (or the Servicer on its behalf) will notify the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than three (3) Business Days after) a Financial Officer or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) *Notice of Events of Termination or Unmatured Events of Termination.* A statement of a Financial Officer of the Seller setting forth details of any Event of Termination or Unmatured Event of Termination that has occurred and is continuing and the action which the Seller proposes to take with respect thereto.

(ii) *Representations and Warranties.* The failure of any representation or warranty made or deemed to be made by the Seller under this Agreement or any other Transaction Document to be true and correct in any material respect when made or deemed made.

(iii) *Litigation.* The institution of any litigation, arbitration proceeding or governmental proceeding with respect to the Seller, the Servicer, the Performance Guarantor, or any Originator, which with respect to any Person other than the Seller, could reasonably be expected to have a Material Adverse Effect.

(iv) *Adverse Claim.* (A) Any Person shall obtain an Adverse Claim upon the Sold Assets or Seller Collateral or any portion thereof other than Permitted Liens, (B) any Person other than the Seller, the Servicer, the Administrative Agent or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner shall obtain any rights or direct any action with respect to any Collection Account (or related Lock-Box) or (C) any Obligor shall receive

any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Servicer or the Administrative Agent.

(v) *Name Changes.* At least thirty (30) days (or such shorter period of time as the Administrative Agent may agree) before any change in the Seller's name, jurisdiction of organization or any other change requiring the amendment of UCC financing statements.

(vi) *Reserved.*

(vii) *Termination Event.* The occurrence of a Purchase and Sale Termination Event under the Purchase and Sale Agreement.

(viii) *Material Adverse Change.* Promptly after the occurrence thereof, notice of any Material Adverse Effect with respect to any Originator, the Servicer, the Performance Guarantor or the Seller.

(e) *Conduct of Business.* The Seller will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and will do all things necessary to remain duly organized, validly existing and in good standing as a domestic organization in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted.

(f) *Compliance with Laws.* The Seller will comply with all Applicable Laws to which it may be subject including, without limitation, Anti-Corruption Laws, International Trade Laws, ERISA and the PATRIOT Act, if the failure to comply could reasonably be expected to have a Material Adverse Effect.

(g) *Furnishing of Information and Inspection of Receivables.* The Seller will furnish or cause to be furnished to the Administrative Agent and each Group Agent from time to time such information with respect to the Pool Receivables and the other Sold Assets and the Seller Collateral as the Administrative Agent or any Group Agent may reasonably request. Once a year (or more frequently, which may be as often as the Administrative Agent may determine, while an Event of Termination shall have occurred and be continuing) the Seller will, at the Seller's expense, during regular business hours with reasonable prior written notice (i) permit the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Pool Receivables or other Sold Assets and the Seller Collateral, (B) visit the offices and properties of the Seller for the purpose of examining such books and records and (C) upon execution of a confidentiality agreement, discuss matters relating to the Pool Receivables, the other Sold Assets, the Seller Collateral, or the Seller's performance hereunder or under the other Transaction Documents to which it is a party with any of the designated Financial Officers or independent public accountants of the Seller having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the

Seller's expense, upon prior written notice from the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to such Pool Receivables, other Sold Assets, and the Seller Collateral; *provided*, that the Seller shall be required to reimburse the Administrative Agent for only one (1) such review pursuant to clause (ii) above in any twelve-month period, unless an Event of Termination has occurred and is continuing; *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract, or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract; *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

(h) *Payments on Receivables, Collection Accounts.* (i) The Seller (or the Servicer on its behalf) will at all times, instruct all Obligors to deliver payments on the Pool Receivables to a Collection Account or a Lock-Box. The Seller (or the Servicer on its behalf) will, and will cause the Originator to, at all times, maintain such books and records necessary to identify Collections received from time to time on Pool Receivables and to segregate such Collections from other property of the Servicer and the Originators. If any payments on the Pool Receivables or other Collections are received by the Seller, the Servicer, or an Originator, it shall hold such payments in trust for the benefit of the Administrative Agent, the Group Agents and the other Secured Parties and promptly (but in any event within one (1) Business Day after receipt) remit such funds into a Collection Account.

(ii) The Seller (or the Servicer on its behalf) will cause each Collection Account Bank to comply with the terms of each applicable Account Control Agreement other than with respect to (x) the CAD Exception Account unless the CAD Exception Account becomes subject to an Account Control Agreement in accordance with Section 9.03, and (y) any Excluded Collection Account. Except with respect to any Excluded Collection Account which shall be subject to Section 8.01(dd) and Section 8.02(j), the Seller shall not permit funds other than Collections on Pool Receivables and other Sold Assets and Seller Collateral to be deposited into any Collection Account except with respect to any amounts received in respect of Excluded Receivables; *provided* that in the event the Parent long-term credit rating is downgraded to below BB by S&P or Ba2 by Moody's, the Seller shall use commercially reasonable efforts to cause all such funds not representing Collections on Pool Receivables and other Sold Assets and Seller Collateral to no longer be deposited into any Collection Account promptly upon the request of the Administrative Agent. The Seller (or the Servicer on its behalf) shall identify and transfer any funds not representing Collections on Pool Receivables and other Sold Assets and Seller Collateral, deposited into

any Collection Account other than an Excluded Collection Account to the appropriate Person entitled to such funds within two (2) Business Days of such deposit. The Seller will not, and will not permit the Servicer, any Originator or any other Person to commingle Collections or other funds to which the Administrative Agent, any Group Agent or any other Secured Party is entitled, with any other funds except as set forth herein.

(iii) The Seller shall only add a Collection Account (or a related Lock-Box) or a Collection Account Bank to those listed on Schedule II to this Agreement, if the Administrative Agent has received notice of such addition and an executed and acknowledged copy of an Account Control Agreement (or an amendment thereto) in form and substance acceptable to the Administrative Agent from the applicable Collection Account Bank. The Seller shall only terminate a Collection Account Bank or close a Collection Account (or a related Lock-Box) with the prior written consent of the Administrative Agent. The Servicer shall ensure that no disbursements are made from any Collection Account, other than such disbursements that are made at the direction and for the account of the Seller or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner.

(i) *Sales, Liens, Etc.* Except as otherwise provided herein, the Seller will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon (including, without limitation, the filing of any financing statement) or with respect to, any Pool Receivable, Sold Assets, or any Seller Collateral other than Permitted Liens, or assign any right to receive income in respect thereof.

(j) *Extension or Amendment of Pool Receivables.* Except as otherwise permitted in Section 9.02, the Seller will not, and will not permit the Servicer to, alter the delinquency status or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, any term or condition of any related Contract. The Seller shall at its expense, timely and fully perform and comply in all material respects with all provisions, covenants and other promises required to be observed by it under the Contracts related to the Pool Receivables, and timely and fully comply with the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(k) *Change in Credit and Collection Policy.* The Seller will not (and will not permit the Servicer to) make any change in the Credit and Collection Policy that could reasonably be expected to materially adversely affect the underwriting standards, the collectability of the Receivables, the credit quality of any Receivable, the enforceability of any related contract or the Seller's or the Servicer's ability to perform its obligations under the related contract or the Transaction Documents without the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed).

(l) *Fundamental Changes.* The Seller shall not, without the prior written consent of the Administrative Agent and the Majority Group Agents, permit itself (i) to merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of

(whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person or (ii) undertake any division of its rights, assets, obligations, or liabilities pursuant to a plan of division or otherwise pursuant to Applicable Law or (iii) to be directly owned by any Person other than an Originator.

(m) *Books and Records.* The Seller shall keep and maintain (or cause the Servicer to keep and maintain) all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(n) *Reserved.*

(o) *Reserved.*

(p) *Security Interest, Etc.* The Seller shall (and shall cause the Servicer to), at its expense, take all action necessary or reasonably desirable to establish and maintain with respect to the Sold Assets and Seller Collateral, a valid and enforceable ownership or security interest in the Sold Assets and Seller Collateral, and a first priority perfected security interest in the Sold Assets and Seller Collateral free and clear of any Adverse Claim other than Permitted Liens, in favor of the Administrative Agent (on behalf of the Secured Parties), including taking such action to perfect, protect or more fully evidence the security interest of the Administrative Agent (on behalf of the Secured Parties) as the Administrative Agent or any Secured Party may reasonably request. In order to evidence the security interests of the Administrative Agent under this Agreement, the Seller shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's security interest in the Receivables, Related Security and Collections. The Seller shall, from time to time and within the time limits established by Applicable Law, prepare and present to the Administrative Agent for the Administrative Agent's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrative Agent's security interest as a first-priority interest. The Administrative Agent's approval of such filings shall authorize the Seller to file such financing statements under the UCC without the signature of the Seller, any Originator or the Administrative Agent where allowed by Applicable Law. Notwithstanding anything else in the Transaction Documents to the contrary, the Seller shall not have any authority to file a termination, partial termination, release, partial release, or any amendment that deletes the name of a debtor or excludes any Sold Assets or Seller Collateral, of any such financing statements filed in connection with the Transaction Documents, without the prior written consent of the Administrative Agent.

(q) *Certain Agreements.* Without the prior written consent of the Administrative Agent and the Majority Group Agents, the Seller will not (and will not

permit any Originator, or the Servicer to) amend, modify, waive, revoke or terminate any Transaction Document to which it is a party (which, for clarification, shall not include the addition or removal of an Originator without the consent of the Administrative Agent or any Group Agent to the extent not required pursuant to the terms of the Purchase and Sale Agreement) or any provision of the Seller's organizational documents which requires the consent of the "Independent Director" (as such term is used in the Seller's Certificate of Formation and Limited Liability Company Agreement).

(r) *Restricted Payments.* (i) Except pursuant to clause (ii) below, the Seller will not: (A) purchase or redeem any of its membership interests, (B) declare or pay any dividend or set aside any funds for any such purpose, (C) prepay, purchase or redeem any Debt, (D) lend or advance any funds or (E) repay any loans or advances to, for or from any of its Affiliates (the amounts described in clauses (A) through (E) being referred to as "*Restricted Payments*").

(ii) Subject to the limitations set forth in clause (iii) below, the Seller may make Restricted Payments so long both immediately before and immediately after giving effect thereto, the Seller's Net Worth is not less than the Required Capital Amount.

(iii) The Seller may make Restricted Payments only out of (A) the funds, if any, it receives pursuant to Section 4.01 of this Agreement or (B) funds held in the Pledged Deposit Account and the Pledged Investment Account; *provided* that the Seller shall not pay, make or declare any Restricted Payment (including any dividend) if, after giving effect thereto, any Event of Termination or Unmatured Event of Termination shall have occurred and be continuing.

(s) *Other Business.* The Seller will not: (i) engage in any business other than the transactions contemplated by the Transaction Documents, (ii) create, incur or permit to exist any Debt of any kind (or cause or permit to be issued for its account any letters of credit or bankers' acceptances) other than pursuant to this Agreement or the Subordinated Notes or (iii) form any Subsidiary or make any investments in any other Person; *provided, however,* that the Seller shall be permitted to incur minimal obligations to the extent necessary for the day-to-day operations of the Seller.

(t) *Use of Collections Available to the Seller.* The Seller shall apply the Collections available to the Seller to make payments in the following order of priority: (i) the payment of its obligations under this Agreement and each of the other Transaction Documents (other than the Subordinated Notes) and (ii) other legal and valid purposes.

(u) *Further Assurances; Change in Name or Jurisdiction of Origination, Etc.*
(i) The Seller hereby authorizes and hereby agrees from time to time, at its own expense, promptly to execute (if necessary) and deliver all further instruments and documents, and to take all further actions, that may be necessary or desirable, or that the Administrative Agent may reasonably request, to perfect, protect or more fully evidence the security interest granted pursuant to this Agreement or any other Transaction Document, or to enable the Administrative Agent (on behalf of the Secured Parties) to exercise and enforce

the Secured Parties' rights and remedies under this Agreement and the other Transaction Document. Without limiting the foregoing, the Seller hereby authorizes, and will, upon the request of the Administrative Agent, at the Seller's own expense, execute (if necessary) and file such financing statements or continuation statements, or amendments thereto, and such other instruments and documents, that may be necessary or desirable, or that the Administrative Agent may reasonably request, to perfect, protect or evidence any of the foregoing.

(ii) The Seller authorizes the Administrative Agent to file financing statements, continuation statements and amendments thereto and assignments thereof, relating to the Receivables, the Related Security, the related Contracts, Collections with respect thereto and the other Sold Assets and Seller Collateral without the signature of the Seller. A photocopy or other reproduction of this Agreement shall be sufficient as a financing statement where permitted by law.

(iii) The Seller shall at all times be organized under the laws of the State of Delaware and shall not take any action to change its jurisdiction of organization.

(iv) The Seller shall not make any change in the Seller's name, organization type, jurisdiction of formation or location or make any other change requiring an amendment of any UCC financing statements unless (x) the Seller shall have provided at least thirty (30) days (or such shorter period of time as the Administrative Agent may agree) prior written notice to the Administrative Agent and the Majority Group Agents, (y) the Seller, at its own expense, shall have taken all action necessary or appropriate to perfect or maintain the perfection of the security interest under this Agreement (including, without limitation, the filing of all financing statements and the taking of such other action as the Administrative Agent may request in connection with such change or relocation) and (z) if requested by the Administrative Agent, the Seller shall cause to be delivered to the Administrative Agent, an opinion, in form and substance satisfactory to the Administrative Agent as to such UCC perfection and priority matters as the Administrative Agent may request at such time.

(v) *Sanctions and Anti-Corruption.* The Seller hereby agrees that it shall: (a) notify each Purchaser Party in writing within 10 business days upon the occurrence of a Reportable Compliance Event; (b) promptly provide substitute Sold Assets and Seller Collateral to the Administrative Agent if, at any time, any Sold Assets or Seller Collateral becomes Blocked Property; and (c) conduct its business in material compliance with applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions and maintain in effect policies and procedures reasonably designed to ensure compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions by each Covered Entity, and its directors and officers, and any employee, agent or affiliate acting on behalf of such Covered Entity in connection with this Agreement.

The Seller shall not and, not permit its directors and officers, and any employee, agent, or affiliate acting on behalf of the Seller in connection with this Agreement, nor Seller's Subsidiaries to: (a) become a Sanctioned Person; (b) directly or indirectly, provide, use, or

make available the proceeds of any Investment hereunder (i) to fund any activities or business of, with, or for the benefit of any Person that, at the time of such funding, is a Sanctioned Person, in violation of applicable Sanctions, (ii) to fund any activities or business of or in any Sanctioned Jurisdiction, in violation of applicable Sanctions, or (iii) in any manner that could result in a violation by any party to this Agreement of applicable Anti-Corruption Law, Anti-Money Laundering Laws, or Sanctions (including any Purchaser Party, underwriter, advisor, investor, or otherwise); (c) repay any Investment with Blocked Property or funds derived from any unlawful activity; or (d) permit any Sold Assets or Seller Collateral to become Blocked Property.

(w) *Reserved.*

(x) *Seller's Net Worth.* The Seller shall not permit the Seller's Net Worth to be less than the Required Capital Amount.

(y) *Taxes.* The Seller will (i) timely file all U.S. federal and other material tax returns (federal, state and local) required to be filed by it and (ii) pay, or cause to be paid, before the same shall become delinquent, all taxes, assessments and other governmental charges, if any, other than taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with GAAP, unless and until any Lien resulting therefrom attaches to its property and becomes enforceable against its other creditors, except in each case to the extent that such failure to file or pay could not reasonably be expected to have a Material Adverse Effect.

(z) *Seller's Tax Status.* The Seller shall not be characterized as an association (or publicly traded partnership) taxable as a corporation or as a taxable mortgage pool, for U.S. federal income tax purposes. The Seller shall not become subject to U.S. federal net income tax and its distributions or allocations of income are not subject to U.S. federal withholding tax under Section 1445 or 1446 of the Code. The Seller shall not become subject to any material Tax in any jurisdiction outside the United States.

(aa) *Minimum Funding Threshold.* The Seller shall maintain Aggregate Capital equal to or greater than an amount that is equal to the lesser of (a) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (b) the Capital Coverage Amount at such time.

(bb) *Liquidity Coverage Ratio.* The Seller shall not issue any LCR Security.

(cc) *Beneficial Ownership Regulation.* Promptly following any change that would result in a change to the status as an excluded "Legal Entity Customer" under (and as defined in) the Beneficial Ownership Regulation, the Seller shall execute and deliver to the Administrative Agent and each Group Agent a Certificate of Beneficial Ownership complying with the Beneficial Ownership Regulation, in form and substance reasonably acceptable to the Administrative Agent.

(dd) *Excluded Collection Accounts.* The Seller or the Servicer on its behalf shall cause the related Excluded Collection Account Owner to cause all Collections on Pool Receivables and other Sold Assets and Seller Collateral deposited into any Excluded Collection Account to be deposited into a Collection Account maintained in the name of the Seller and subject to an Account Control Agreement by no later than (A) so long as neither (x) an Event of Termination has occurred and is continuing and (y) the Parent credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is not below BBB- by S&P or Baa3 by Moody's, each Monthly Settlement Date; (B) at any time that the Parent credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is downgraded to below BBB- by S&P or Baa3 by Moody's but prior to the occurrence and continuance of an Event of Termination, five (5) Business Days after receipt thereof; or (C) following the occurrence and continuance of an Event of Termination, one (1) Business Day after receipt thereof. The Seller shall not and shall cause the related Excluded Collection Account Owner not to permit any other Person to have any Adverse Claim, obtain any rights or direct any action with respect to any Excluded Collection Account.

Section 8.02. Covenants of the Servicer. At all times from the Closing Date until the Final Payout Date:

(a) *Existence.* The Servicer shall keep in full force and effect its existence and rights as a corporation or other entity. The Servicer shall obtain and preserve its qualification to do business in each jurisdiction in which the conduct of its business or the servicing of the Pool Receivables as required by this Agreement requires such qualification, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(b) *Financial Reporting.* The Servicer will maintain a system of accounting established and administered in accordance with GAAP, and the Servicer, on behalf of the Seller, shall furnish to the Administrative Agent and each Group Agent:

(i) *Compliance Certificates.* (a) A compliance certificate promptly upon completion of the annual report of the Parent and in no event later than 90 days after the close of the Parent's fiscal year, in form and substance substantially similar to Exhibit H signed by a Financial Officer of the Servicer stating that no Event of Termination or Unmatured Event of Termination has occurred and is continuing, or if any Event of Termination or Unmatured Event of Termination has occurred and is continuing, stating the nature and status thereof and (b) within 45 days after the close of the first three fiscal quarters of the Parent, a compliance certificate in form and substance substantially similar to Exhibit H signed by a Financial Officer of the Parent stating that no Event of Termination or Unmatured Event of Termination has occurred and is continuing, or if any Event of Termination or Unmatured Event of Termination has occurred and is continuing, stating the nature and status thereof.

(ii) *Information Packages.* As soon as available and in any event not later than two (2) Business Days prior to each Settlement Date, an Information Package as of the most recently completed Fiscal Month; *provided, however*, that at any time when an Event of Termination has occurred and is continuing, the Servicer shall furnish to the Administrative Agent promptly upon request an interim report with respect to the Pool Receivables containing such information as the Administrative Agent may reasonably request.

(iii) *Other Information.* Such other information (including non-financial information) as the Administrative Agent or any Group Agent may from time to time reasonably request.

(c) *Notices.* The Servicer, on behalf of the Seller, will notify the Administrative Agent and each Group Agent in writing of any of the following events promptly upon (but in no event later than three (3) Business Days after) a Financial Officer or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) *Notice of Events of Termination or Unmatured Events of Termination.* A statement of a Financial Officer of the Seller setting forth details of any Event of Termination or Unmatured Event of Termination that has occurred and is continuing and the action which the Seller proposes to take with respect thereto.

(ii) *Representations and Warranties.* The failure of any representation or warranty made or deemed to be made by the Seller, or the Servicer under this Agreement or any other Transaction Document to be true and correct in any material respect when made or deemed made.

(iii) *Litigation.* The institution of any litigation, arbitration proceeding or governmental proceeding with respect to the Seller, the Servicer, the Performance Guarantor, or any Originator, which with respect to any Person other than the Seller, could reasonably be expected to have a Material Adverse Effect.

(iv) *Adverse Claim.* (A) Any Person shall obtain an Adverse Claim upon the Sold Assets or the Seller Collateral or any portion thereof other than Permitted Liens, (B) any Person other than the Seller, the Servicer, the Administrative Agent or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner shall obtain any rights or direct any action with respect to any Collection Account (or related Lock-Box) or (C) any Obligor shall receive any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Servicer or the Administrative Agent.

(v) *Name Changes.* (A) At least thirty (30) days (or such shorter period of time as the Administrative Agent may agree) before any change in the Seller's name, jurisdiction of organization or any other change requiring the amendment of

UCC financing statements and (B) not later than thirty (30) days following the effectiveness of any change in any Originator's name, jurisdiction of organization or any other change requiring the amendment of UCC financing statements.

(vi) *Reserved.*

(vii) *Termination Event.* The occurrence of any of a Purchase and Sale Termination Event under the Purchase and Sale Agreement.

(viii) *Material Adverse Change.* Promptly after the occurrence thereof, notice of any Material Adverse Effect with respect to any Originator, the Servicer, the Performance Guarantor or the Seller.

(d) *Conduct of Business.* The Servicer will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted, and will do all things necessary to remain duly organized, validly existing and in good standing as a domestic corporation or other entity in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted if the failure to have such authority could reasonably be expected to have a Material Adverse Effect.

(e) *Compliance with Laws.* The Servicer shall maintain in effect all qualifications required under Applicable Law in order to service each Pool Receivable and the related Contract, if any, in accordance with this Agreement except where the failure to do so would not have a Material Adverse Effect and will comply in all material respects with all other requirements of Applicable Law in connection with servicing each Pool Receivable and the related Contract.

(f) *Furnishing of Information and Inspection of Receivables.* The Servicer will furnish or cause to be furnished to the Administrative Agent and each Group Agent from time to time such information with respect to the Pool Receivables and the other Sold Assets and the Seller Collateral as the Administrative Agent or any Group Agent may reasonably request. Once a year (or more frequently, which may be as often as the Administrative Agent may determine, while an Event of Termination shall have occurred and be continuing), the Servicer will, at the Servicer's expense, during regular business hours with reasonable prior written notice, (i) permit the Administrative Agent and each Group Agent or their respective agents or representatives to (A) examine and make copies of and abstracts from all books and records relating to the Pool Receivables or the other Sold Assets and the Seller Collateral, (B) visit the offices and properties of the Servicer for the purpose of examining such books and records and (C) upon execution of a confidentiality agreement, discuss matters relating to the Pool Receivables, the other Sold Assets, the Seller Collateral, or the Servicer's performance hereunder or under the other Transaction Documents to which it is a party with any of the designated Financial Officers or independent public accountants of the Servicer (*provided* that representatives of the Servicer are present during such discussions) having knowledge of such matters and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the

Servicer's expense, upon prior written notice from the Administrative Agent, permit certified public accountants or other auditors acceptable to the Administrative Agent to conduct a review of its books and records with respect to the Pool Receivables, the other Sold Assets, and the Seller Collateral; *provided*, that the Servicer shall be required to reimburse the Administrative Agent for only one (1) such review pursuant to clause (ii) above in any twelve-month period unless an Event of Termination has occurred and is continuing; *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract, or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract; *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent, the Servicer shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

(g) *Payments on Receivables, Collection Accounts.* (i) The Servicer will at all times, instruct all Obligors to deliver payments on the Pool Receivables to a Collection Account or a Lock-Box. The Servicer will, and will cause each Originator to, at all times, maintain such books and records necessary to identify Collections received from time to time on Pool Receivables and to segregate such Collections from other property of the Servicer and the Originators. If any payments on the Pool Receivables or other Collections are received by the Seller, the Servicer, or an Originator, it shall hold such payments in trust for the benefit of the Administrative Agent, the Group Agents and the other Secured Parties and promptly (but in any event within one (1) Business Day after receipt) remit such funds into a Collection Account.

(ii) Except with respect to any Excluded Collection Account which shall be subject to Section 8.01(dd) and Section 8.02(j), the Servicer shall not permit funds other than Collections on Pool Receivables and other Sold Assets and Seller Collateral to be deposited into any Collection Account except with respect to any amounts received in respect of Excluded Receivables; *provided* that in the event the Parent long-term credit rating is downgraded to below BB by S&P or Ba2 by Moody's, the Servicer shall use commercially reasonable efforts to cause all such funds not representing Collections on Pool Receivables and other Sold Assets and Seller Collateral to no longer be deposited into any Collection Account promptly upon the request of the Administrative Agent. The Servicer shall identify and transfer any funds not representing Collections on Pool Receivables and other Sold Assets and Seller Collateral deposited into any Collection Account other than an Excluded Collection Account to the appropriate Person entitled to such funds within two (2) Business Days of such deposit. The Servicer will not, and will not permit the Seller, any Originator or any other Person to commingle Collections or other funds to which the Administrative Agent, any Group Agent or any other Secured Party is entitled, with any other funds except as set forth herein.

(iii) The Servicer shall only add a Collection Account (or a related Lock-Box) or a Collection Account Bank to those listed on Schedule II to this Agreement, if the Administrative Agent has received notice of such addition and an executed and acknowledged copy of an Account Control Agreement (or an amendment thereto) in form and substance acceptable to the Administrative Agent from the applicable Collection Account Bank. The Servicer shall only terminate a Collection Account Bank or close a Collection Account (or a related Lock-Box) with the prior written consent of the Administrative Agent. The Servicer shall ensure that no disbursements are made from any Collection Account, other than such disbursements that are made at the direction and for the account of the Seller or, with respect to any Excluded Collection Account, the related Excluded Collection Account Owner.

(h) *Extension or Amendment of Pool Receivables.* Except as otherwise permitted in Section 9.02, the Servicer will not alter the delinquency status or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, any term or condition of any related Contract. The Servicer shall at its expense, timely and fully perform and comply in all material respects with all provisions, covenants and other promises required to be observed by it under the Contracts related to the Pool Receivables, and timely and fully comply with the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(i) *Change in Credit and Collection Policy.* The Servicer will not make any change in the Credit and Collection Policy that could reasonably be expected to materially adversely affect the underwriting standards, the collectability of the Receivables, the credit quality of any Receivable, the enforceability of any related contract or the Seller's or the Servicer's ability to perform its obligations under the related contract or the Transaction Documents without the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld, conditioned or delayed).

(j) *Records.* The Servicer will maintain and implement administrative and operating procedures (including an ability to recreate records evidencing Pool Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(k) *Excluded Collection Accounts.* The Servicer shall cause and shall cause the related Excluded Collection Account Owner to cause all Collections on Pool Receivables and other Sold Assets and Seller Collateral deposited into any Excluded Collection Account to be deposited into a Collection Account maintained in the name of the Seller and subject to an Account Control Agreement by no later than (i) so long as neither (x) an Event of Termination has occurred and is continuing and (y) the Parent credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is not below BBB- by S&P or Baa3 by Moody's, each Monthly Settlement Date; (ii) at any time that

the Parent credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is downgraded to below BBB- by S&P or Baa3 by Moody's but prior to the occurrence and continuance of an Event of Termination, five (5) Business Days after receipt thereof; or (iii) following the occurrence and continuance of an Event of Termination, one (1) Business Day after receipt thereof. The Servicer shall not and shall cause the related Excluded Collection Account Owner not to permit any other Person to have any Adverse Claim, obtain any rights or direct any action with respect to any Excluded Collection Account.

(l) *Security Interest, Etc.* The Servicer shall, at its expense, take all action necessary or reasonably desirable to establish and maintain with respect to the Sold Assets and Seller Collateral, valid and enforceable ownership or security interest in the Sold Assets and Seller Collateral, and first priority perfected security interest in the Sold Assets and Seller Collateral free and clear of any Adverse Claim other than Permitted Liens, in favor of the Administrative Agent (on behalf of the Secured Parties), including taking such action to perfect, protect or more fully evidence the security interest of the Administrative Agent (on behalf of the Secured Parties) as the Administrative Agent or any Secured Party may reasonably request. In order to evidence the security interests of the Administrative Agent under this Agreement, the Servicer shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrative Agent) to maintain and perfect, as a first-priority interest, the Administrative Agent's security interest in the Receivables, Related Security and Collections. The Servicer shall, from time to time and within the time limits established by law, prepare and present to the Administrative Agent for the Administrative Agent's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrative Agent's security interest as a first-priority interest. The Administrative Agent's approval of such filings shall authorize the Servicer to file such financing statements under the UCC without the signature of the Seller, any Originator or the Administrative Agent where allowed by Applicable Law. Notwithstanding anything else in the Transaction Documents to the contrary, the Servicer shall not have any authority to file a termination, partial termination, release, partial release, or any amendment that deletes the name of a debtor or excludes collateral of any such financing statements filed in connection with the Transaction Documents, without the prior written consent of the Administrative Agent.

(m) *Sanctions and Anti-Corruption.* The Servicer hereby agrees that it shall: (a) notify each Purchaser Party within 10 business days in writing upon the occurrence of a Reportable Compliance Event; (b) promptly provide substitute Sold Assets and Seller Collateral to the Administrative Agent if, at any time, any Sold Assets or Seller Collateral becomes Blocked Property; and (c) conduct its business in material compliance with applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions and maintain in effect policies and procedures reasonably designed to ensure compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions by each Covered Entity, and its directors and officers, and any employee, agent or affiliate acting on behalf of such Covered Entity in connection with this Agreement.

The Servicer shall not and, not permit its directors and officers, and any employee, agent, or affiliate acting on behalf of the Servicer in connection with this Agreement, nor Servicer's Subsidiaries to: (a) become a Sanctioned Person; (b) directly or indirectly, provide, use, or make available the proceeds of any Investment hereunder (i) to fund any activities or business of, with, or for the benefit of any Person that, at the time of such funding, is a Sanctioned Person, in violation of applicable Sanctions, (ii) to fund any activities or business of or in any Sanctioned Jurisdiction, in violation of applicable Sanctions (iii) in any manner that could result in a violation by any party to this Agreement of applicable Anti-Corruption Law, Anti-Money Laundering Laws, or Sanctions (including any Purchaser Party, underwriter, advisor, investor, or otherwise); (c) repay any Investment with Blocked Property or funds derived from any unlawful activity; or (d) permit any Sold Assets or Seller Collateral to become Blocked Property.

(n) *Reserved.*

(o) *Reserved.*

(p) *Taxes.* The Servicer will (i) timely file all U.S. federal and other material tax returns (federal, state and local) required to be filed by it and (ii) pay, or cause to be paid, before the same shall become delinquent, all taxes, assessments and other governmental charges, if any, other than taxes, assessments and other governmental charges being contested in good faith by appropriate proceedings and as to which adequate reserves have been provided in accordance with GAAP unless and until any Lien resulting therefrom attaches to its property and becomes enforceable against its other creditors, except in each case to the extent that such failure to file or pay could not reasonably be expected to have a Material Adverse Effect.

(q) *Seller's Tax Status.* The Servicer shall not take or cause any action to be taken that could result in the Seller (i) becoming characterized as an association (or publicly traded partnership) taxable as a corporation or as a taxable mortgage pool, for U.S. federal income tax purposes or (ii) becoming subject to U.S. federal net income tax and its distributions or allocations of income becoming subject to U.S. federal withholding tax under Section 1445 or 1446 of the Code.

Section 8.03. Separate Existence of the Seller. Each of the Seller and the Servicer hereby acknowledges that the Secured Parties, the Group Agents and the Administrative Agent are entering into the transactions contemplated by this Agreement and the other Transaction Documents in reliance upon the Seller's identity as a legal entity separate from any Originator, the Servicer, the Performance Guarantor and their Affiliates. Therefore, each of the Seller and Servicer shall take all steps specifically required by this Agreement or reasonably required by the Administrative Agent or any Group Agent to continue the Seller's identity as a separate legal entity and to make it apparent to third Persons that the Seller is an entity with assets and liabilities distinct from those of the Performance Guarantor, the Originators, the Servicer and any other Person, and is not a division of the Performance Guarantor, the Originators, the Servicer, its Affiliates or any other Person. Without limiting the generality of the foregoing and in addition to and consistent

with the other covenants set forth herein, each of the Seller and the Servicer shall take such actions as shall be required in order that:

(a) *Special Purpose Entity.* The Seller will be a special purpose company whose primary activities are restricted in its Limited Liability Company Agreement to: (i) purchasing or otherwise acquiring from the Originators, owning, holding, collecting, granting security interests or selling interests in the Sold Assets and Seller Collateral, (ii) entering into agreements for the selling, servicing and financing of the Receivables Pool (including the Transaction Documents) and (iii) conducting such other activities as it deems necessary or appropriate to carry out its primary activities.

(b) *No Other Business or Debt.* The Seller shall not engage in any business or activity except as set forth in this Agreement nor, incur any indebtedness or liability other than as expressly permitted by the Transaction Documents.

(c) *Independent Director.* Not fewer than one member of the Seller's board of directors (the "*Independent Director*") shall be a natural person who (i) has never been, and shall at no time be, an equityholder, director, officer, manager, member, partner, officer, employee or associate, or any relative of the foregoing, of any member of the Parent Group (as hereinafter defined) (other than his or her service as an Independent Director of the Seller or an independent director of any other bankruptcy-remote special purpose entity formed for the sole purpose of securitizing, or facilitating the securitization of, financial assets of any member or members of the Parent Group), (ii) is not a customer or supplier of any member of the Parent Group (other than his or her service as an Independent Director of the Seller or an independent director of any other bankruptcy-remote special purpose entity formed for the sole purpose of securitizing, or facilitating the securitization of, financial assets of any member or members of the Parent Group), (iii) is not any member of the immediate family of a person described in (i) or (ii) above, and (iv) has (x) prior experience as an independent director for a corporation or limited liability company whose organizational or charter documents required the unanimous consent of all independent directors thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (y) at least three years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities. For purposes of this clause (c), "Parent Group" shall mean (i) the Parent, the Servicer, the Performance Guarantor, and each Originator, (ii) each person that directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, five percent (5%) or more of the membership interests in the Parent, (iii) each person that controls, is controlled by or is under common control with the Parent and (iv) each of such person's officers, directors, managers, joint venturers and partners. For the purposes of this definition, "control" of a person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise. A person shall be deemed to be an "associate" of (A) a corporation or

organization of which such person is an officer, director, partner or manager or is, directly or indirectly, the beneficial owner of ten percent (10%) or more of any class of equity securities, (B) any trust or other estate in which such person serves as trustee or in a similar capacity and (C) any relative or spouse of a person described in clause (A) or (B) of this sentence, or any relative of such spouse.

The Seller shall (A) give written notice to the Administrative Agent of the election or appointment, or proposed election or appointment, of a new Independent Director of the Seller, which notice shall be given not later than ten (10) Business Days prior to the date such appointment or election would be effective (except when such election or appointment is necessary to fill a vacancy caused by the death, disability, or incapacity of the existing Independent Director, or the failure of such Independent Director to satisfy the criteria for an Independent Director set forth in this clause (c), in which case the Seller shall provide written notice of such election or appointment within one (1) Business Day) and (B) with any such written notice, certify to the Administrative Agent that the Independent Director satisfies the criteria for an Independent Director set forth in this clause (c).

The Seller's Limited Liability Company Agreement shall provide that: (A) the Seller's board of directors shall not approve, or take any other action to cause the filing of, a voluntary bankruptcy petition with respect to the Seller unless the Independent Director shall approve the taking of such action in writing before the taking of such action and (B) such provision and each other provision requiring an Independent Director cannot be amended without the prior written consent of the Independent Director.

The Independent Director shall not at any time serve as a trustee in bankruptcy for the Seller, the Parent, the Performance Guarantor, any Originator, the Servicer or any of their respective Affiliates.

(d) *Organizational Documents.* The Seller shall maintain its organizational documents in conformity with this Agreement, such that it does not amend, restate, supplement or otherwise modify its ability to comply with the terms and provisions of any of the Transaction Documents, including, without limitation, Section 8.01(p).

(e) *Conduct of Business.* The Seller shall conduct its affairs strictly in accordance with its organizational documents and observe all necessary, appropriate and customary company formalities, including, but not limited to, holding all regular and special members' and board of directors' meetings appropriate to authorize all company action, keeping separate and accurate minutes of its meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records and accounts, including, but not limited to, payroll and intercompany transaction accounts.

(f) *Compensation.* Any employee, consultant or agent of the Seller will be compensated from the Seller's funds for services provided to the Seller, and to the extent that Seller shares the same officers or other employees as the Servicer (or any other Affiliate thereof), the salaries and expenses relating to providing benefits to such officers

and other employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with such common officers and employees. The Seller will not engage any agents other than its attorneys, auditors and other professionals, and a servicer and any other agent contemplated by the Transaction Documents for the Receivables Pool, which servicer will be fully compensated for its services by payment of the Servicing Fee.

(g) *Servicing and Costs.* The Seller will contract with the Servicer to perform for the Seller all operations required on a daily basis to service the Receivables Pool. The Seller will not incur any indirect or overhead expenses for items shared with the Servicer (or any other Affiliate thereof) that are not reflected in the Servicing Fee. To the extent, if any, that the Seller (or any Affiliate thereof) shares items of expenses not reflected in the Servicing Fee, such as legal, auditing and other professional services, such expenses will be allocated to the extent practical on the basis of actual use or the value of services rendered, and otherwise on a basis reasonably related to the actual use or the value of services rendered.

(h) *Operating Expenses.* The Seller's operating expenses will not be paid by the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof.

(i) *Stationary.* The Seller will have its own separate stationary.

(j) *Books and Records.* The Seller's books and records will be maintained separately from those of the Servicer, the Parent, the Performance Guarantor, the Originators and any of their Affiliates and in a manner such that it will not be difficult or costly to segregate, ascertain or otherwise identify the assets and liabilities of the Seller.

(k) *Disclosure of Transactions.* All financial statements of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof that are consolidated to include the Seller will disclose that (i) the Seller's sole business consists of the purchase or acceptance through capital contributions of the Receivables and Related Rights from the applicable Originators and the subsequent retransfer of or granting of a security interest in such Receivables and Related Rights to the Administrative Agent pursuant to this Agreement, (ii) the Seller is a separate legal entity with its own separate creditors who will be entitled, upon its liquidation, to be satisfied out of the Seller's assets prior to any assets or value in the Seller becoming available to the Seller's equity holders and (iii) the assets of the Seller are not available to pay creditors of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof.

(l) *Segregation of Assets.* The Seller's assets will be maintained in a manner that facilitates their identification and segregation from those of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliates thereof.

(m) *Corporate Formalities.* The Seller will strictly observe limited liability company formalities in its dealings with the Servicer, the Parent, the Performance

Guarantor, the Originators or any Affiliates thereof, and funds or other assets of the Seller will not be commingled with those of the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliates thereof except as permitted by this Agreement. The Seller shall not maintain joint bank accounts or other depository accounts to which the Servicer, the Parent, the Performance Guarantor, the Originators or any Affiliate thereof (other than the Servicer solely in its capacity as such) has independent access. The Seller is not named, and has not entered into any agreement to be named, directly or indirectly, as a direct or contingent beneficiary or loss payee on any insurance policy with respect to any loss relating to the property of the Servicer, the Parent, the Performance Guarantor, the Originators or any Subsidiaries or other Affiliates thereof. The Seller will pay to the appropriate Affiliate the marginal increase or, in the absence of such increase, the market amount of its portion of the premium payable with respect to any insurance policy that covers the Seller and such Affiliate.

(n) *Arm's-Length Relationships.* The Seller will maintain arm's-length relationships with the Servicer, the Parent, the Performance Guarantor, the Originators and any Affiliates thereof. Any Person that renders or otherwise furnishes services to the Seller will be compensated by the Seller at market rates for such services it renders or otherwise furnishes to the Seller. Neither the Seller on the one hand, nor the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof, on the other hand, will be or will hold itself out to be responsible for the debts of the other or the decisions or actions respecting the daily business and affairs of the other. The Seller, the Servicer, the Parent, the Performance Guarantor, the Originators and their respective Affiliates will immediately correct any known misrepresentation with respect to the foregoing, and they will not operate or purport to operate as an integrated single economic unit with respect to each other or in their dealing with any other entity.

(o) *Allocation of Overhead.* To the extent that Seller, on the one hand, and the Servicer, the Parent, the Performance Guarantor, any Originator or any Affiliate thereof, on the other hand, have offices in the same location, there shall be a fair and appropriate allocation of overhead costs between them, and the Seller shall bear its fair share of such expenses, which may be paid through the Servicing Fee or otherwise.

Section 8.04. Covenants of the Sponsor . At all times from the Closing Date until the Final Payout Date:

(a) *EU Risk Retention.* While any Capital is outstanding, the Sponsor as an "originator" for the purposes of the EU Securitisation, shall on an ongoing basis retain a material net economic interest in the securitisation constituted by the Transaction Documents in an amount at least equal to 5.0% of the nominal value of the Pool Receivables in the form of a first loss tranche (the "*Retained Interest*"), by holding directly or indirectly, 100% of the ownership interests in the Seller, which membership interests represent the residual interest of the Seller in the Pool Receivables that is paid pursuant to clause fifth of the priorities of payment set forth in Section 4.01, in compliance with the EU Securitisation Regulation.

The Retained Interest shall be measured as of the Closing Date and each Settlement Date. For this purpose, (i) the amount of the Retained Interest from time to time shall equal the sum of (A) the excess of the aggregate Outstanding Balance of all Eligible Receivables over the sum of the Aggregate Capital and the aggregate outstanding principal balance of all Subordinated Notes (in each case then outstanding) plus (B) the excess of the aggregate nominal values of the Pool Receivables over the aggregate Outstanding Balance of all Eligible Receivables, and (ii) the aggregate nominal values of the Pool Receivables shall be calculated without deduction for or on account of any Receivable having become a written-off Receivable in accordance with the Credit and Collection Policies.

The method of retention will be in the form of an originator's interest (as described in Article 6(3)(d) of the EU Securitisation Regulation), which form will not change and which retention will not be subject to any credit risk mitigation or any other hedge and will not be sold, transferred or otherwise surrendered, except as permitted by the EU Securitisation Regulation.

The Sponsor shall comply with the applicable disclosure obligations described in Article (7)(1)(e)(iii) of the EU Securitisation Regulation by confirming the Sponsor's risk retention as contemplated by Article 6(1) of the EU Securitisation Regulation through the provision of, *inter alios*, the information and disclosure in the Information Package.

The Sponsor was not established for, and does not operate for, the sole purpose of securitizing exposures.

The Sponsor acknowledges its obligations under Article 9 the EU Securitisation Regulation: (i) in the case of each Pool Receivable for which the Sponsor, directly or indirectly, is involved in the original agreement which creates such asset, it applies the same sound and well-defined criteria for credit granting which it applies to non-securitised exposures; and (ii) in respect of each Pool Receivable for which the Sponsor or its related entities, directly or indirectly, was not involved in the original agreement which created such asset, it will, verify to the extent required pursuant to Article 9(3) of the EU Securitisation Regulations that the entity which was, directly or indirectly, involved in the original agreement which created such asset, has applied to the asset the same sound and well-defined criteria for credit-granting that such entity applies to its non-securitised exposures, in each case as is effective at the time of the creation of such Pool Receivable.

(b) *Information.*

(i) While the Capital is outstanding, the Sponsor and/or the Servicer, upon written request by a Purchaser (which may be in electronic form) shall use reasonable efforts to, at such Purchaser's cost, (A) take such further action and provide such information as may be reasonably required by such Purchaser in order for such Purchaser to comply with its obligations under the EU Securitisation Regulation in relation to the Transaction Documents to the extent such information is in its possession or control, and otherwise (B) cooperate with such Purchaser's reasonable requests and to procure such information from the Servicer and/or Sponsor; *provided* that the Sponsor and the Servicer

provide no assurance that they will be able to provide such information, and, in each case, without breaching a legal or contractual duty of confidentiality.

(ii) If (A) an Event of Termination has occurred or (B) there is a breach of Sponsor's retention requirements under the EU Securitisation Regulation or the Sponsor's representations in Section 8.04(a) above, the Sponsor shall cause the Servicer to include reasonable detail about such event in the Information Package.

(iii) The Sponsor shall procure that the Servicer shall, without delay, make available any significant event disclosures as required by Article 7(1)(g) of the EU Securitisation Regulation.

(iv) The Sponsor confirms that it is the designated entity for the purposes of Article 7 of the EU Securitisation Regulation.

Section 8.05. Post-Merger Covenant . Within 30 days of the consummation of the transactions contemplated by the Merger Agreement (or such later date as may be agreed to by the Administrative Agent), Paramount Skydance Corporation shall become the Performance Guarantor hereunder pursuant to a Performance Guaranty in form and substance substantially similar to the Performance Guaranty in effect on the Fourth Amendment Effective Date and reasonably satisfactory to the Administrative Agent and shall in connection therewith deliver customary corporate certificates (including resolutions, corporate governing documents and an incumbency certificate) and opinions of counsel reasonably satisfactory to the Administrative Agent regarding corporate and enforceability matters and substantive consolidation matters substantively similar to the opinions of counsel delivered in connection with the execution of the Performance Guaranty in effect on the Fourth Amendment Effective Date. Upon the effectiveness of such replacement Performance Guaranty and delivery of the other opinions of counsel and certificates required by this Section 8.05, the Performance Guaranty in effect on the Fourth Amendment Effective Date shall be automatically released.

ARTICLE IX

ADMINISTRATION AND COLLECTION OF RECEIVABLES

Section 9.01. Appointment of the Servicer. (a) The servicing, administering and collection of the Pool Receivables shall be conducted by the Person so designated from time to time as the Servicer in accordance with this Section 9.01. Until the Administrative Agent gives notice to Turner (in accordance with this Section 9.01) of the designation of a new Servicer, Turner is hereby designated as, and hereby agrees to perform the duties and obligations of, the Servicer pursuant to the terms hereof. Upon the occurrence of an Event of Termination, the Administrative Agent may (with the consent of the Majority Group Agents) and shall (at the direction of the Majority Group Agents), designate as Servicer the Parent or an Affiliate thereof to succeed Turner or any successor Servicer, on the condition in each case that the Parent or such Affiliate shall agree to perform the duties and obligations of the Servicer pursuant to the terms hereof.

(b) Upon the designation of a successor Servicer as set forth in clause (a) above, Turner agrees that it will terminate its activities as Servicer hereunder in a manner that the Administrative Agent reasonably determines will facilitate the transition of the performance of such activities to the new Servicer, and Turner shall cooperate with and assist such new Servicer. Such cooperation shall include access to and transfer of records related to Pool Receivables and use by the new Servicer of all licenses (or the obtaining of new licenses), hardware or software necessary or reasonably desirable to collect the Pool Receivables and the Related Security.

(c) Turner acknowledges that, in making its decision to execute and deliver this Agreement, the Administrative Agent and each member in each Group have relied on Turner's agreement to act as Servicer hereunder. Accordingly, Turner agrees that it will not voluntarily resign as Servicer without the prior written consent of the Administrative Agent and the Majority Group Agents.

(d) The Servicer may, and hereby does, delegate its duties and obligations hereunder to each Originator as subservicer with respect to the Receivables generated by such Originator or, solely with respect to a GDS Receivable, to GDS, and may further delegate its duties and obligations hereunder to any other subservicer (each a "*Sub-Servicer*"); *provided*, that, in each such delegation: (i) the Servicer shall remain liable for the performance of the duties and obligations so delegated, (ii) the Seller, the Administrative Agent, each Purchaser and each Group Agent shall have the right to look solely to the Servicer for performance, and (iii) if such Sub-Servicer is not an Affiliate of the Parent, (A) the Administrative Agent and the Majority Group Agents shall have consented in writing in advance to such delegation and (B) such Sub-Servicer shall agree in writing to perform the delegated duties and obligations of the Servicer pursuant to the terms hereof.

Section 9.02. Duties of the Servicer. (a) The Servicer shall take or cause to be taken all such action as may be necessary or reasonably advisable to service, administer and collect each Pool Receivable from time to time, all in accordance with this Agreement and all Applicable Laws, with reasonable care and diligence, and in accordance with the Credit and Collection Policy and consistent with the past practices of the Originators. The Servicer shall set aside, for the accounts of each Group, the amount of Collections to which each such Group is entitled in accordance with Article IV hereof. The Servicer may, in accordance with the Credit and Collection Policy and consistent with past practices of the Originators, take such action, including modifications, waivers or restructurings of Pool Receivables and related Contracts, as the Servicer may reasonably determine to be appropriate to maximize Collections thereof or reflect adjustments expressly permitted under the Credit and Collection Policy or as expressly required under Applicable Laws or the applicable Contract; *provided*, that for purposes of this Agreement: (i) such action shall not, and shall not be deemed to, change the number of days such Pool Receivable has remained unpaid from the date of the original due date related to such Pool Receivable, (ii) such action shall not alter the status of such Pool Receivable as a delinquent Receivable or limit the rights of any Secured Party under this Agreement or any other Transaction Document and (iii) if an Event of Termination has occurred and is continuing and neither the Parent nor an Affiliate thereof is the Servicer at such time, the Servicer may take such action only upon the prior written consent of the Administrative Agent. The Seller shall deliver to the Servicer and the Servicer shall hold for the benefit of the Administrative Agent (individually and for the benefit of each Group), in accordance

with their respective interests, all records and documents (including computer tapes or disks) with respect to each Pool Receivable. Notwithstanding anything to the contrary contained herein, if an Event of Termination has occurred and is continuing, the Administrative Agent may direct the Servicer to commence or settle any legal action to enforce collection of any Pool Receivable that is a defaulted Receivable or to foreclose upon or repossess any Related Security with respect to any such defaulted Receivable.

(b) The Servicer's obligations hereunder shall terminate on the Final Payout Date. Promptly following the Final Payout Date, the Servicer shall deliver to the Seller all books, records and related materials that the Seller previously provided to the Servicer, or that have been obtained by the Servicer, in connection with this Agreement.

Section 9.03. Collection Account Arrangements. The Seller shall have entered into Account Control Agreements with all of the applicable Collection Account Banks and delivered executed counterparts of each to the Administrative Agent except with respect to (i) each Excluded Collection Account, and (ii) the CAD Exception Account; *provided* that in the event the Parent long-term credit rating is downgraded to below BB by S&P or Ba2 by Moody's, the Seller shall enter into an Account Control Agreement with respect to the CAD Exception Account within 30 days of the request of the Administrative Agent (or such greater amount of time agreed to by the Seller and the Administrative Agent). Upon (i) the occurrence and during the continuance of an Event of Termination, (ii) on the date that is five (5) Business Days prior to the Scheduled Termination Date if the Administrative Agent does not reasonably expect the Aggregate Capital and all other Seller Obligations to be refinanced or repaid in full, or (iii) notice of the termination of the sale or contribution by any Originator of Receivables and Related Rights pursuant to Section 8.3 of the Purchase and Sale Agreement (excluding (1) terminations of Originators with the consent of the Administrative Agent and (2) terminations of any Subject Originator so long as the Outstanding Balance of the Receivables originated by it and sold to the Seller, together with the Outstanding Balances with respect to any other Subject Originators terminated over the 12-month period ending on the date of such termination, would not exceed 10.0% of the aggregate Outstanding Balance of all Receivables in the Receivables Pool on the date of such termination), the Administrative Agent may (with the consent of the Majority Group Agents) and shall (upon the direction of the Majority Group Agents) at any time thereafter give notice to each Collection Account Bank that the Administrative Agent is exercising its rights under the Account Control Agreements to do any or all of the following: (a) to have the exclusive ownership and control of the Collection Accounts transferred to the Administrative Agent (for the benefit of the Secured Parties) and to exercise exclusive dominion and control over the funds deposited therein (for the benefit of the Secured Parties), (b) to have the proceeds that are sent to the respective Collection Accounts redirected pursuant to the Administrative Agent's instructions rather than deposited in the applicable Collection Account and (c) to take any or all other actions permitted under the applicable Account Control Agreement. The Seller hereby agrees that if the Administrative Agent at any time takes any action set forth in the preceding sentence, the Administrative Agent shall have exclusive control (for the benefit of the Secured Parties) of the proceeds (including Collections) of all Pool Receivables and the Seller hereby further agrees to take any other action that the Administrative Agent may reasonably request to transfer such control. Any proceeds of Pool Receivables received by the Seller or the Servicer thereafter shall be sent immediately to, or as otherwise instructed by, the Administrative Agent.

Section 9.04. Enforcement Rights. (a) At any time following the occurrence and during the continuation of an Event of Termination:

(i) the Administrative Agent may instruct the Seller or the Servicer to give notice of the Secured Parties' interest in Pool Receivables to each Obligor which notice shall direct that payments be made directly to the Administrative Agent or its designee (on behalf of the Secured Parties), and the Seller or the Servicer, as the case may be, shall give such notice at the expense of the Seller or the Servicer, as the case may be; *provided*, that the Administrative Agent or such designee shall, as promptly as practicable, return to the Seller all amounts that it receives from such Obligor to the extent such amounts do not constitute Collections; *provided, further*, that if the Seller or the Servicer, as the case may be, fails to so notify each Obligor (if applicable) within two (2) Business Days following instruction by the Administrative Agent, the Administrative Agent (at the Seller's or the Servicer's, as the case may be, expense) may so notify the Obligor; *provided*, that the Administrative Agent or such designee shall, as promptly as practicable, return to the Seller all amounts that it receives from such Obligor to the extent such amounts do not constitute Collections.

(ii) the Administrative Agent may request the Servicer to, and upon such request the Servicer shall: (A) assemble all of the records necessary or desirable to collect the Pool Receivables and the Related Security, and transfer or license to a successor Servicer the use of all software necessary or desirable to collect the Pool Receivables and the Related Security, and make the same available to the Administrative Agent or its designee (for the benefit of the Secured Parties) at a place selected by the Administrative Agent; *provided*, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor; and (B) segregate all cash, checks and other instruments received by it from time to time constituting Collections in a manner reasonably acceptable to the Administrative Agent and, promptly upon receipt, remit all such cash, checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Administrative Agent or its designee;

(iii) the Administrative Agent may notify the Collection Account Banks that the Seller, and the Servicer will no longer have any access to the Collection Accounts;

(iv) the Administrative Agent may (or, at the direction of the Majority Group Agents shall) replace the Person then acting as Servicer; and

(v) the Administrative Agent may collect any amounts due from (A) an Originator under the Purchase and Sale Agreement or (B) the Performance Guarantor under the Performance Guaranty.

For the avoidance of doubt, the foregoing rights and remedies of the Administrative Agent upon an Event of Termination are in addition to and not exclusive of the rights and remedies contained herein and under the other Transaction Documents.

(b) The Seller hereby authorizes the Administrative Agent (on behalf of the Secured Parties), and irrevocably appoints the Administrative Agent as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Seller, which appointment is coupled with an interest, to take any and all steps in the name of the Seller and on behalf of the Seller necessary or desirable, in the reasonable determination of the Administrative Agent, after the occurrence and during the continuation of an Event of Termination, to collect any and all amounts or portions thereof due under any and all Sold Assets and Seller Collateral, including endorsing the name of the Seller on checks and other instruments representing Collections and enforcing such Sold Assets and Seller Collateral. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

(c) The Servicer hereby authorizes the Administrative Agent (on behalf of the Secured Parties), and irrevocably appoints the Administrative Agent as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Servicer, which appointment is coupled with an interest, to take any and all steps in the name of the Servicer and on behalf of the Servicer necessary or desirable, in the reasonable determination of the Administrative Agent, after the occurrence and during the continuation of an Event of Termination, to collect any and all amounts or portions thereof due under any and all Sold Assets and Seller Collateral, including endorsing the name of the Servicer on checks and other instruments representing Collections and enforcing such Sold Assets and Seller Collateral. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

Section 9.05. Responsibilities of the Seller. (a) Anything herein to the contrary notwithstanding, the Seller shall: (i) perform all of its obligations, if any, under the Contracts related to the Pool Receivables to the same extent as if interests in such Pool Receivables had not been transferred hereunder, and the exercise by the Administrative Agent, or any other Purchaser Party of their respective rights hereunder shall not relieve the Seller from such obligations and (ii) pay when due any material taxes, including any material sales taxes payable in connection with the Pool Receivables and their creation and satisfaction. None of the Purchaser Parties shall have any obligation or liability with respect to any Sold Assets or Seller Collateral, nor shall any of them be obligated to perform any of the obligations of the Seller, the Servicer, or any Originator thereunder.

(b) Turner hereby irrevocably agrees that if at any time it shall cease to be the Servicer hereunder, it shall act (if the then-current Servicer so requests) as the data-processing agent of the Servicer and, in such capacity, Turner shall conduct the data-processing functions of the administration of the Receivables and the Collections thereon in substantially the same way that Turner conducted such data-processing functions while it acted as the Servicer. In connection with any such processing functions, the Seller shall pay to Turner its reasonable out-of-pocket costs and expenses from the Seller's own funds (subject to the priority of payments set forth in Section 4.01).

Section 9.06. Servicing Fee. (a) Subject to clause (b) below, the Seller shall pay the Servicer a fee (the "Servicing Fee") equal to 1.00% per annum (the "Servicing Fee Rate") of the daily average aggregate Outstanding Balance of the Pool Receivables. Accrued Servicing Fees shall be payable from Collections to the extent of available funds in accordance with Section 4.01.

(b) If the Servicer is neither the Parent nor an Affiliate thereof, the Servicing Fee shall be the greater of: (i) the amount calculated pursuant to clause (a) above and (ii) an alternative amount specified by the successor Servicer not to exceed 110% of the aggregate reasonable costs and expenses incurred by such successor Servicer in connection with the performance of its obligations as Servicer hereunder.

Section 9.07. Credit Insurance Policy.

(a) At all times while (x) any Pool Receivable is being reported in any Information Package as an Insured Receivable or (y) any Pool Receivable is being included in the Net Receivables Pool Balance as an Insured Receivable, with respect to the Credit Insurance Policy insuring such Pool Receivables:

- (i) the Seller shall maintain the Credit Insurance Policy in full force and effect;
- (ii) the Seller shall pay all premiums and other amounts due by the Seller from time to time under the Credit Insurance Policy when due in accordance with the terms thereof;
- (iii) the Seller and the Servicer shall refrain from taking any action or omitting to take any action which could reasonably be expected to prejudice or limit the Seller's or the Administrative Agent's rights to payment under the Credit Insurance Policy;
- (iv) the Seller and the Servicer shall enforce the obligations of the applicable Credit Insurer under the Credit Insurance Policy;
- (v) the Seller and the Servicer shall maintain all records and documents that may be necessary to make claims for reimbursement under the Credit Insurance Policy;
- (vi) the Seller shall, and the Servicer shall cause the Seller to, perform all its other obligations under the Credit Insurance Policy in accordance with the terms thereof (including, without limitation, delivering information regarding the relevant Pool

Receivables and notices of insolvency with respect to the Insured Obligor when required pursuant to the terms of the Credit Insurance Policy);

(vii) the Seller and Servicer shall advise promptly the Administrative Agent of any payment the Seller receives directly under the Credit Insurance Policy, any denial of coverage under the Credit Insurance Policy, any cancellation of the Credit Insurance Policy or any other information received in connection with the Credit Insurance Policy which is material to the payment of any claim thereunder;

(viii) Neither the Seller nor Servicer shall amend, modify or waive (or consent to any such amendment, modification or waiver of) any provision of the Credit Insurance Policy, other than extensions of the term of the Credit Insurance Policy, without the Administrative Agent's prior written consent; and

(ix) The Seller and Servicer shall deliver any additional instruments, certificates and documents, provide such other information and take such other actions as may be necessary or desirable, in the reasonable opinion of the Administrative Agent, to give further assurances of any of the rights granted or provided for herein or under the Credit Insurance Policy (including, without limitation, providing copies of invoices, purchase orders, and the proof of delivery of products as may be requested by the insurer thereunder).

(b) If the Seller fails to pay any premium or other amount due under a Credit Insurance Policy, the Administrative Agent may (in its discretion) pay such premium or other amount from the Sold Assets or Seller Collateral or from its own funds in order to keep such Credit Insurance Policy in force. Any amount so paid by the Administrative Agent from its own funds shall constitute a Seller Indemnified Amount payable by the Seller to the Administrative Agent hereunder.

(c) As to any Insured Receivables only, in the event that the Insured Obligor defaults on the payment of any of its Pool Receivables, becomes subject to an Insolvency Proceeding (or similar term under the terms of the Credit Insurance Policy) or becomes subject to any other event that gives rise to a claim for reimbursement under the Credit Insurance Policy, the Seller and the Servicer shall, promptly (but not later than the time period during which such a claim may be filed pursuant to the terms of the Credit Insurance Policy), file a claim for such reimbursement (with a copy thereof to the Administrative Agent) in accordance with the terms of the Credit Insurance Policy and shall take any other actions required under the terms of the Credit Insurance Policy to obtain such reimbursement (including, without limitation, providing the Credit Insurer with itemized statements, invoices, bills of lading, purchase orders, summaries of collections efforts, evidence of debt or other documentation that may be required under the terms of the Credit Insurance Policy). The Seller and the Servicer shall cause any amounts paid by a Credit Insurer under a Credit Insurance Policy to be paid directly to a Collection Account and to be applied as a Collection in accordance with the terms of this Agreement.

(d) In the event that a Credit Insurer pays a claim under a Credit Insurance Policy with respect to a Pool Receivable and the Seller is required to subrogate its rights, claims, guaranties, security, collateral or defenses to such Credit Insurer in respect of such Pool Receivable, the Seller

shall (and the Servicer shall cause the Seller to) so subrogate such rights, claims, guaranties, security, collateral or defenses in accordance with the terms of the applicable Credit Insurance Policy. Simultaneously with receipt of such a payment in a Collection Account and upon such subrogation, the Administrative Agent shall be automatically deemed to have released to the Seller any ownership or security interest it may have hereunder (on behalf of itself and the Purchasers) in such rights, claims, guaranties, security, collateral or defenses so subrogated, to the extent necessary to permit such subrogation and shall execute such documents to evidence the same as shall be reasonably requested by the Seller, in each case at the sole expense of the Seller; provided, however, that the Administrative Agent shall not be deemed to have released any such ownership or security interest it may have in related rights under the applicable Credit Insurance Policy (including, without limitation, any right of the Seller to receive ratable or other allocations of Collections or other recoveries in respect of the related Pool Receivables).

(e) If a Credit Insurance Policy ceases to be Eligible Credit Insurance, the Seller and the Servicer shall furnish to the Administrative Agent and each Purchaser written notice thereof, together with a statement of the actions the Seller plans to take to remedy such situation, if any, promptly but not later than five (5) Business Days thereafter.

(f) Any Collections received by the Administrative Agent pursuant to a Credit Insurance Policy (including as an additional insured thereunder) shall be distributed in accordance with the priority of payments set forth in Section 4.01(a).

ARTICLE X

EVENTS OF TERMINATION

Section 10.01. Events of Termination. If any of the following events (each an “*Event of Termination*”) shall occur:

(a) (i) the Seller, any Originator, the Performance Guarantor or the Servicer shall fail to perform or observe any term, covenant or agreement under this Agreement or any other Transaction Document (other than any such failure which would constitute an Event of Termination under clause (ii) or (iii) of this paragraph (a)), and such failure, solely to the extent capable of cure, shall continue for thirty (30) days after the earlier of (x) written notice to the Seller, any Originator, the Performance Guarantor, or the Servicer by the Administrative Agent or any Purchaser, and (y) actual knowledge of the Seller, any Originator, the Performance Guarantor, or the Servicer, (ii) the Seller, any Originator, the Performance Guarantor or the Servicer shall fail to make when due any payment or deposit to be made by it under this Agreement or any other Transaction Document and such failure shall continue unremedied for three (3) Business Days or (iii) Turner shall resign as Servicer, and if the Parent or an Affiliate thereof has not been appointed as Servicer hereunder, no successor Servicer reasonably satisfactory to the Administrative Agent shall have been appointed;

(b) any written representation or warranty made or deemed made by the Seller, any Originator, the Performance Guarantor or the Servicer (or any of their respective

officers) under or in connection with this Agreement or any other Transaction Document or any information or report delivered by the Seller, any Originator, the Performance Guarantor or the Servicer pursuant to this Agreement or any other Transaction Document, shall prove to have been incorrect or untrue in any material respect when made or deemed made or delivered, *provided, however*, any breach of any representation or warranty set forth in Section 7.01(m), 7.01(u), 7.02(i) or 7.02(l) shall not constitute an Event of Termination if a Deemed Collection payment is timely and fully made in connection therewith in accordance with Section 4.01(d);

(c) the Seller or the Servicer shall fail to deliver an Information Package pursuant to this Agreement, and such failure shall remain unremedied for three (3) Business Days after written notice of such failure has been given to the Seller or the Servicer;

(d) this Agreement or any security interest granted pursuant to this Agreement or any other Transaction Document shall for any reason cease to create, or for any reason cease to be, a valid and enforceable first priority perfected security interest in favor of the Administrative Agent with respect to the Pool Receivables or any of the other Sold Assets or Seller Collateral, free and clear of any Adverse Claim other than Permitted Liens;

(e) the Seller, any Originator, the Performance Guarantor or the Servicer shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any Insolvency Proceeding shall be instituted by or against the Seller, any Originator, the Performance Guarantor or the Servicer and, in the case of any such proceeding instituted against such Person (but not instituted by such Person), either such proceeding shall remain undismissed or unstayed for a period of sixty (60) consecutive days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Seller, any Originator, the Performance Guarantor or the Servicer shall take any corporate or organizational action to authorize any of the actions set forth above in this paragraph;

(f) (i) the average for three consecutive Fiscal Months of:

(A) the Default Ratio shall exceed 7.5%,

(B) the Delinquency Ratio shall exceed 12.0%, or

(C) the Dilution Ratio shall exceed 5.0%, or

(ii) the Days' Sales Outstanding shall exceed 95 days;

(g) a Change in Control shall occur;

(h) a Capital Coverage Deficit shall occur, and shall not have been cured within three (3) Business Days;

(i) (i) the Seller shall fail to pay any principal of or premium or interest on any Debt when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (whether or not such failure shall have been waived under the related agreement); (ii) any Originator, the Performance Guarantor or the Servicer, or any of their respective Subsidiaries, individually or in the aggregate, shall fail to pay any principal of or premium or interest on any of its Debt under the Parent Senior Credit Agreement (whether or not funded) or any other Debt that is outstanding in a principal amount of at least \$1,000,000,000 in the aggregate when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (whether or not such failure shall have been waived under the related agreement); (iii) any other event shall occur or condition shall exist under any agreement, mortgage, indenture or instrument relating to any such Debt (as referred to in clause (i) or (ii) of this paragraph and shall continue after the applicable grace period (not to exceed 30 days), if any, specified in such agreement, mortgage, indenture or instrument (whether or not such failure shall have been waived under the related agreement), if the effect of such event or condition is to give the applicable debtholders the right (whether acted upon or not) to accelerate the maturity of such Debt (as referred to in clause (i) or (ii) of this paragraph) or to terminate the commitment of any lender thereunder, or (iv) any such Debt (as referred to in clause (i) or (ii) of this paragraph) shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased, or an offer to repay, redeem, purchase or defease such Debt shall be required to be made or the commitment of any lender thereunder terminated, in each case before the stated maturity thereof;

(j) the Performance Guarantor shall fail to perform any of its material obligations under the Performance Guaranty;

(k) the Seller shall fail (x) at any time (other than for ten (10) Business Days following notice of the death or resignation of any Independent Director) to have an Independent Director who satisfies each requirement and qualification specified in Section 8.03(c) of this Agreement for Independent Directors, on the Seller's board of directors or (y) to timely notify the Administrative Agent of any replacement or appointment of any director that is to serve as an Independent Director on the Seller's board of directors as required pursuant to Section 8.03(c) of this Agreement;

(l) there shall have occurred any event which materially adversely impairs, in the reasonable discretion of Administrative Agent, the collectability of the Pool Receivables generally or any material portion thereof and such event or events either

individually or in the aggregate would reasonably be expected to result in a Material Adverse Effect;

(m) either (i) the Internal Revenue Service shall file notice of a lien pursuant to Section 6323 of the Code with regard to any assets of the Seller, any Originator or the Parent or (ii) the PBGC shall, or shall indicate its intention to, file notice of a lien pursuant to Section 4068 of ERISA with regard to any of the assets of the Seller, the Servicer, any Originator or the Parent with respect to liabilities in the aggregate in excess of \$400,000,000;

(n) the Parent or any ERISA Affiliate shall fail to satisfy minimum funding requirements under Section 412 of the Internal Revenue Code or Section 302 of ERISA to any Plan, or apply for a waiver of such requirements, and such failure could reasonably be expected to subject the Parent or any of its Subsidiaries to any liabilities in the aggregate in excess of \$1,000,000,000;

(o) [reserved];

(p) a Purchase and Sale Termination Event shall occur under the Purchase and Sale Agreement;

(q) the Seller shall (x) be required to register as an “investment company” within the meaning of the Investment Company Act or (y) the transactions contemplated by this Agreement and the Transaction Documents result in the Administrative Agent or any Purchaser having an “ownership interest” (as defined in § _____.10(d)(6) of the Volcker Rule) in the Seller;

(r) any material provision of this Agreement or any other Transaction Document shall cease to be in full force and effect or any of the Seller, any Originator, the Performance Guarantor or the Servicer (or any of their respective Affiliates) shall so state in writing; or

(s) one or more judgments or decrees shall be entered against the Seller, any Originator, the Performance Guarantor or the Servicer, or any Affiliate of any of the foregoing involving in the aggregate a liability (not paid or to the extent not covered by a reputable and solvent insurance company) and such judgments and decrees either shall be final and non-appealable or shall not be vacated, discharged or stayed or bonded pending appeal for any period of 30 consecutive days, and the aggregate amount of all such judgments equals or exceeds \$250,000,000 (or solely with respect to the Seller, \$15,775);

then, and in any such event, unless such event has been waived in accordance with this Agreement, the Administrative Agent may (or, at the direction of the Majority Group Agents shall) by notice to the Seller (x) declare the Termination Date to have occurred (in which case the Termination Date shall be deemed to have occurred), (y) declare the Seller Obligation Final Due Date to have occurred (in which case the Seller Obligation Final Due Date shall be deemed to have occurred) and (z) declare the Aggregate Capital and all other Seller Obligations to be immediately due and

payable (in which case the Aggregate Capital and all other Seller Obligations shall be immediately due and payable); *provided* that, automatically upon the occurrence of any event (without any requirement for the giving of notice) described in subsection (e) of this Section 10.01 with respect to the Seller, the Termination Date shall occur and the Aggregate Capital and all other Seller Obligations shall be immediately due and payable. Upon any such declaration or designation or upon such automatic termination, the Administrative Agent and the other Secured Parties shall have, in addition to the rights and remedies which they may have under this Agreement and the other Transaction Documents, all other rights and remedies provided after default under the UCC and under other Applicable Law, which rights and remedies shall be cumulative. Any proceeds from liquidation of the Sold Assets and Seller Collateral shall be applied in the order of priority set forth in Section 4.01.

ARTICLE XI

THE ADMINISTRATIVE AGENT

Section 11.01. Authorization and Action. Each Purchaser Party hereby appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers as are reasonably incidental thereto. The Administrative Agent shall not have any duties other than those expressly set forth in the Transaction Documents, and no implied obligations or liabilities shall be read into any Transaction Document, or otherwise exist, against the Administrative Agent. The Administrative Agent does not assume, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with, the Seller or any Affiliate thereof or any Purchaser Party except for any obligations expressly set forth herein. Notwithstanding any provision of this Agreement or any other Transaction Document, in no event shall the Administrative Agent ever be required to take any action which exposes the Administrative Agent to personal liability or which is contrary to any provision of any Transaction Document or Applicable Law.

Section 11.02. Administrative Agent's Reliance, Etc. Neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as Administrative Agent under or in connection with this Agreement (including, without limitation, the Administrative Agent's servicing, administering or collecting Pool Receivables in the event it replaces the Servicer in such capacity pursuant to Section 9.01), in the absence of its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, the Administrative Agent: (a) may consult with legal counsel (including counsel for any Purchaser Party or the Servicer), independent certified public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Purchaser Party (whether written or oral) and shall not be responsible to any Purchaser Party for any statements, warranties or representations (whether written or oral) made by any other party in or in connection with this Agreement; (c) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement on the part of any Purchaser Party or to inspect the property (including the books and records) of any Purchaser Party;

(d) shall not be responsible to any Purchaser Party for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; and (e) shall be entitled to rely, and shall be fully protected in so relying, upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

Section 11.03. Administrative Agent and Affiliates. With respect to any Investment or interests therein owned by any Purchaser Party that is also the Administrative Agent, such Purchaser Party shall have the same rights and powers under this Agreement as any other Purchaser Party and may exercise the same as though it were not the Administrative Agent. The Administrative Agent and any of its Affiliates may generally engage in any kind of business with the Seller or any Affiliate thereof and any Person who may do business with or own securities of the Seller or any Affiliate thereof, all as if the Administrative Agent were not the Administrative Agent hereunder and without any duty to account therefor to any other Secured Party.

Section 11.04. Indemnification of Administrative Agent. Each Committed Purchaser agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Seller or any Affiliate thereof), ratably according to the respective Percentage of such Committed Purchaser, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or any other Transaction Document or any action taken or omitted by the Administrative Agent under this Agreement or any other Transaction Document; *provided* that no Committed Purchaser shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct.

Section 11.05. Delegation of Duties. The Administrative Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 11.06. Action or Inaction by Administrative Agent. The Administrative Agent shall in all cases be fully justified in failing or refusing to take action under any Transaction Document unless it shall first receive such advice or concurrence of the Group Agents or the Majority Group Agents, as the case may be, and assurance of its indemnification by the Committed Purchasers, as it deems appropriate. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Transaction Document in accordance with a request or at the direction of the Group Agents or the Majority Group Agents, as the case may be, and such request or direction and any action taken or failure to act pursuant thereto shall be binding upon all Purchaser Parties. The Purchaser Parties and the Administrative Agent agree that unless any action to be taken by the Administrative Agent under a Transaction Document (i) specifically requires the advice or concurrence of all Group Agents or (ii) may be taken by the Administrative Agent alone or without any advice or concurrence of any Group Agent, then the

Administrative Agent may take action based upon the advice or concurrence of the Majority Group Agents.

Section 11.07. Notice of Events of Termination; Action by Administrative Agent. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Unmatured Event of Termination or Event of Termination unless the Administrative Agent has received notice from any Purchaser Party or the Seller stating that an Unmatured Event of Termination or Event of Termination has occurred hereunder and describing such Unmatured Event of Termination or Event of Termination. If the Administrative Agent receives such a notice, it shall promptly give notice thereof to each Group Agent, whereupon each Group Agent shall promptly give notice thereof to its respective Conduit Purchaser(s) and Related Committed Purchaser(s). The Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, concerning an Unmatured Event of Termination or Event of Termination or any other matter hereunder as the Administrative Agent deems advisable and in the best interests of the Secured Parties.

Section 11.08. Non-Reliance on Administrative Agent and Other Parties. Each Purchaser Party expressly acknowledges that neither the Administrative Agent nor any of its directors, officers, agents or employees has made any representations or warranties to it and that no act by the Administrative Agent hereafter taken, including any review of the affairs of the Seller or any Affiliate thereof, shall be deemed to constitute any representation or warranty by the Administrative Agent. Each Purchaser Party represents and warrants to the Administrative Agent that, independently and without reliance upon the Administrative Agent or any other Purchaser Party and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller, each Originator, the Performance Guarantor or the Servicer and the Pool Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items expressly required to be delivered under any Transaction Document by the Administrative Agent to any Purchaser Party, the Administrative Agent shall not have any duty or responsibility to provide any Purchaser Party with any information concerning the Seller, any Originator, the Performance Guarantor or the Servicer that comes into the possession of the Administrative Agent or any of its directors, officers, agents, employees, attorneys-in-fact or Affiliates.

Section 11.09. Successor Administrative Agent. (a) The Administrative Agent may, upon at least thirty (30) days' notice to the Seller, the Servicer and each Group Agent, resign as Administrative Agent. Except as provided below, such resignation shall not become effective until a successor Administrative Agent is appointed by the Majority Group Agents as a successor Administrative Agent and has accepted such appointment. If no successor Administrative Agent shall have been so appointed by the Majority Group Agents, within thirty (30) days after the departing Administrative Agent's giving of notice of resignation, the departing Administrative Agent may, on behalf of the Secured Parties, appoint a successor Administrative Agent as successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Majority Group Agents within sixty (60) days after the departing Administrative Agent's giving of notice of resignation, the departing Administrative Agent may, on behalf of the

Secured Parties, petition a court of competent jurisdiction to appoint a successor Administrative Agent.

(b) Upon such acceptance of its appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall succeed to and become vested with all the rights and duties of the resigning Administrative Agent, and the resigning Administrative Agent shall be discharged from its duties and obligations under the Transaction Documents. After any resigning Administrative Agent's resignation hereunder, the provisions of this Article XI and Article XIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent.

Section 11.10. Structuring Agent. Each of the parties hereto hereby acknowledges and agrees that the Structuring Agent shall not have any right, power, obligation, liability, responsibility or duty under this Agreement, other than the Structuring Agent's right to receive fees pursuant to Section 2.03. Each Purchaser Party acknowledges that it has not relied, and will not rely, on the Structuring Agent in deciding to enter into this Agreement and to take, or omit to take, any action under any Transaction Document.

Section 11.11. Erroneous Payments. (a) Each Purchaser hereby agrees that (i) if the Administrative Agent notifies such Purchaser that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any Erroneous Payment Notice) that any funds received by such Purchaser from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Purchaser (whether or not known to such Purchaser) (any such funds, whether received as a payment, prepayment or repayment of Capital, Yield, Fees or otherwise, individually and collectively, an "*Erroneous Payment*") and demands the return of such Erroneous Payment (or a portion thereof), such Purchaser shall promptly, but in no event later than one Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Purchaser to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect, and (ii) such Purchaser shall not assert any right or claim to the Erroneous Payment, and hereby waives any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payments received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine. A notice of the Administrative Agent to any Purchaser under this Section 11.11(a) shall be conclusive, absent manifest error.

(b) Without limiting the immediately preceding Section 11.11(a), each Purchaser hereby further agrees that if it receives an Erroneous Payment from the Administrative Agent (or any of its Affiliates) (i) that is in an amount different than (other than a *de minimis* difference), or on a different date from, that specified in a notice of payment sent by the Administrative Agent (or any of its Affiliates) with respect to such Erroneous Payment (an "*Erroneous Payment Notice*"), or (ii) that was not preceded or accompanied by an Erroneous Payment Notice, it shall be on notice that,

in each such case, an error has been made with respect to such Erroneous Payment. Each Purchaser further agrees that, in each such case, or if it otherwise becomes aware an Erroneous Payment (or portion thereof) may have been sent in error, such Purchaser shall promptly notify the Administrative Agent of such occurrence and, upon demand from the Administrative Agent, it shall promptly, but in no event later than one (1) Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) that was received by such Purchaser to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect.

(c) Each Purchaser hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Purchaser under any Transaction Document, or otherwise payable or distributable by the Administrative Agent to such Purchaser from any source, against any amount due to the Administrative Agent under the immediately preceding clause (b) or under the indemnification provisions of this Agreement.

(d) The parties hereto hereby agree that (i) in the event an Erroneous Payment (or portion thereof) is not recovered from any Purchaser that has received such Erroneous Payment (or portion thereof) for any reason, the Administrative Agent shall be subrogated to all the rights of such Purchaser with respect to such amount and (ii) an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Seller Obligations to the extent the amount of such Erroneous Payment is in excess of funds received by the Administrative Agent from the Seller or any of its Affiliates for the purpose of satisfying Seller Obligations.

(e) Each party's obligations, agreements and waivers under this Section 11.11 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Purchaser, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Seller Obligations (or any portion thereof) under any Transaction Document.

ARTICLE XII

THE GROUP AGENTS

Section 12.01. Authorization and Action. Each Purchaser Party that belongs to a Group hereby appoints and authorizes the Group Agent for such Group to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to such Group Agent by the terms hereof, together with such powers as are reasonably incidental thereto. No Group Agent shall have any duties other than those expressly set forth in the Transaction Documents, and no implied obligations or liabilities shall be read into any Transaction Document, or otherwise exist, against any Group Agent. No Group Agent assumes, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with the Seller or any Affiliate thereof, any Purchaser except for any obligations expressly set forth herein. Notwithstanding any provision of this Agreement or any other Transaction Document, in no event shall any Group Agent ever be

required to take any action which exposes such Group Agent to personal liability or which is contrary to any provision of any Transaction Document or Applicable Law.

Section 12.02. Group Agent's Reliance, Etc. No Group Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them as a Group Agent under or in connection with this Agreement or any other Transaction Documents in the absence of its or their own gross negligence or willful misconduct. Without limiting the generality of the foregoing, a Group Agent: (a) may consult with legal counsel (including counsel for the Administrative Agent, the Seller or the Servicer), independent certified public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Purchaser Party (whether written or oral) and shall not be responsible to any Purchaser Party for any statements, warranties or representations (whether written or oral) made by any other party in or in connection with this Agreement or any other Transaction Document; (c) shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any other Transaction Document on the part of the Seller or any Affiliate thereof or any other Person or to inspect the property (including the books and records) of the Seller or any Affiliate thereof; (d) shall not be responsible to any Purchaser Party for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any other Transaction Documents or any other instrument or document furnished pursuant hereto; and (e) shall be entitled to rely, and shall be fully protected in so relying, upon any notice (including notice by telephone), consent, certificate or other instrument or writing (which may be by facsimile) believed by it to be genuine and signed or sent by the proper party or parties.

Section 12.03. Group Agent and Affiliates. With respect to any Investment or interests therein owned by any Purchaser Party that is also a Group Agent, such Purchaser Party shall have the same rights and powers under this Agreement as any other Purchaser and may exercise the same as though it were not a Group Agent. A Group Agent and any of its Affiliates may generally engage in any kind of business with the Seller or any Affiliate thereof and any Person who may do business with or own securities of the Seller or any Affiliate thereof or any of their respective Affiliates, all as if such Group Agent were not a Group Agent hereunder and without any duty to account therefor to any other Secured Party.

Section 12.04. Indemnification of Group Agents. Each Committed Purchaser in any Group agrees to indemnify the Group Agent for such Group (to the extent not reimbursed by the Seller or any Affiliate thereof), ratably according to the proportion of the Percentage of such Committed Purchaser to the aggregate Percentages of all Committed Purchasers in such Group, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against such Group Agent in any way relating to or arising out of this Agreement or any other Transaction Document or any action taken or omitted by such Group Agent under this Agreement or any other Transaction Document; *provided* that no Committed Purchaser shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Group Agent's gross negligence or willful misconduct.

Section 12.05. Delegation of Duties. Each Group Agent may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. No Group Agent shall be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 12.06. Notice of Events of Termination. No Group Agent shall be deemed to have knowledge or notice of the occurrence of any Unmatured Event of Termination or Event of Termination unless such Group Agent has received notice from the Administrative Agent, any other Group Agent, any other Purchaser Party, the Servicer or the Seller stating that an Unmatured Event of Termination or Event of Termination has occurred hereunder and describing such Unmatured Event of Termination or Event of Termination. If a Group Agent receives such a notice, it shall promptly give notice thereof to the Purchaser Parties in its Group and to the Administrative Agent (but only if such notice received by such Group Agent was not sent by the Administrative Agent). A Group Agent may take such action concerning an Unmatured Event of Termination or Event of Termination as may be directed by Committed Purchasers in its Group representing a majority of the Commitments in such Group (subject to the other provisions of this Article XII), but until such Group Agent receives such directions, such Group Agent may (but shall not be obligated to) take such action, or refrain from taking such action, as such Group Agent deems advisable and in the best interests of the Conduit Purchasers and Committed Purchasers in its Group.

Section 12.07. Non-Reliance on Group Agent and Other Parties. Each Purchaser Party expressly acknowledges that neither the Group Agent for its Group nor any of such Group Agent's directors, officers, agents or employees has made any representations or warranties to it and that no act by such Group Agent hereafter taken, including any review of the affairs of the Seller or any Affiliate thereof, shall be deemed to constitute any representation or warranty by such Group Agent. Each Purchaser Party represents and warrants to the Group Agent for its Group that, independently and without reliance upon such Group Agent, any other Group Agent, the Administrative Agent or any other Purchaser Party and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller or any Affiliate thereof and the Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items expressly required to be delivered under any Transaction Document by a Group Agent to any Purchaser Party in its Group, no Group Agent shall have any duty or responsibility to provide any Purchaser Party in its Group with any information concerning the Seller or any Affiliate thereof that comes into the possession of such Group Agent or any of its directors, officers, agents, employees, attorneys-in-fact or Affiliates.

Section 12.08. Successor Group Agent. Any Group Agent may, upon at least thirty (30) days' notice to the Administrative Agent, the Seller, the Servicer and the Purchaser Parties in its Group, resign as Group Agent for its Group. Such resignation shall not become effective until a successor Group Agent is appointed by the Purchaser(s) in such Group. Upon such acceptance of its appointment as Group Agent for such Group hereunder by a successor Group Agent, such successor Group Agent shall succeed to and become vested with all the rights and duties of the resigning Group Agent, and the resigning Group Agent shall be discharged from its duties and

obligations under the Transaction Documents. After any resigning Group Agent's resignation hereunder, the provisions of this Article XII and Article XIII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was a Group Agent.

Section 12.09. Reliance on Group Agent. Unless otherwise advised in writing by a Group Agent or by any Purchaser Party in such Group Agent's Group, each party to this Agreement may assume that (i) such Group Agent is acting for the benefit and on behalf of each of the Purchaser Parties in its Group, as well as for the benefit of each assignee or other transferee from any such Person and (ii) each action taken by such Group Agent has been duly authorized and approved by all necessary action on the part of the Purchaser Parties in its Group.

ARTICLE XIII

INDEMNIFICATION

Section 13.01. Indemnities by the Seller. (a) Without limiting any other rights that the Administrative Agent, the Purchaser Parties, the Affected Persons and their respective assigns, officers, directors, agents and employees (each, a "*Seller Indemnified Party*") may have hereunder or under Applicable Law, the Seller hereby agrees to indemnify each Seller Indemnified Party from and against any and all claims, losses and liabilities (including reasonable Attorney Costs) (all of the foregoing being collectively referred to as "*Seller Indemnified Amounts*") arising out of or resulting from this Agreement or any other Transaction Document or the use of proceeds of the Investments or the security interest in respect of any Pool Receivable or any other Sold Assets or Seller Collateral; *excluding, however*, (a) Seller Indemnified Amounts to the extent a court of competent jurisdiction holds that such Seller Indemnified Amounts resulted from the bad faith, gross negligence or willful misconduct by the Seller Indemnified Party seeking indemnification, (b) Taxes (other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim), (c) Seller Indemnified Amounts to the extent the same includes losses in respect of Pool Receivables that are uncollectible solely on account of the insolvency, bankruptcy, lack of creditworthiness or other financial inability to pay of the related Obligor and (d) such Seller Indemnified Amounts result from a legal action in which the Servicer, the Seller or any of their Affiliates is the plaintiff and any Seller Indemnified Party is the defendant, unless such Seller Indemnified Party prevails in such legal action. Without limiting or being limited by the foregoing, the Seller shall pay on demand (it being understood that if any portion of such payment obligation is made from Collections, such payment will be made at the time and in the order of priority set forth in Section 4.01), to each Seller Indemnified Party any and all amounts necessary to indemnify such Seller Indemnified Party from and against any and all Seller Indemnified Amounts relating to or resulting from any of the following (but excluding Seller Indemnified Amounts and Taxes described in clauses (a) through (d) above):

(i) any Pool Receivable which the Seller or the Servicer includes as an Eligible Receivable as part of the Net Receivables Pool Balance but which is not an Eligible Receivable at such time;

(ii) any representation, warranty or statement made or deemed made by the Seller (or any of its respective officers) under or in connection with this Agreement, any of

the other Transaction Documents, any Information Package or any other information or report delivered by or on behalf of the Seller pursuant hereto which shall have been untrue or incorrect in any material respect when made or deemed made;

(iii) the failure by the Seller to materially comply with any Applicable Law with respect to any Pool Receivable or the related Contract; or the failure of any Pool Receivable or the related Contract to conform to any such Applicable Law;

(iv) the failure to vest in the Administrative Agent a first priority perfected ownership or security interest in all or any portion of the Sold Assets or Seller Collateral, in each case free and clear of any Adverse Claim (other than to the extent resulting from the affirmative action of the Administrative Agent) other than Permitted Liens;

(v) the failure to have filed, or any delay in filing, financing statements, financing statement amendments, continuation statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other Applicable Laws with respect to any Pool Receivable, any other Sold Assets or any Seller Collateral, whether at the time of any Investment or at any subsequent time;

(vi) any dispute, claim or defense (other than discharge in bankruptcy) of an Obligor to the payment of any Pool Receivable (including, without limitation, a defense based on such Pool Receivable or the related Contract not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms), or any other claim resulting from or relating to collection activities with respect to such Pool Receivable;

(vii) any failure of the Seller to perform any of its duties or obligations in accordance with the provisions hereof and of each other Transaction Document related to Pool Receivables or to timely and fully comply with the Credit and Collection Policy in regard to each Pool Receivable;

(viii) the commingling of Collections of Pool Receivables at any time with other funds;

(ix) any investigation, litigation or proceeding (actual or threatened) related to this Agreement or any other Transaction Document or the use of proceeds of any Investments or in respect of any Pool Receivable, any other Sold Assets or any Seller Collateral or any related Contract;

(x) any failure of the Seller to comply with its covenants, obligations and agreements contained in this Agreement or any other Transaction Document;

(xi) any setoff with respect to any Pool Receivable;

(xii) any claim brought by any Person other than a Seller Indemnified Party arising from any activity by the Seller or any Affiliate of the Seller in servicing, administering or collecting any Pool Receivable;

(xiii) the failure by the Seller to pay when due any material taxes, including, without limitation, material sales, excise or personal property taxes;

(xiv) any failure of a Collection Account Bank to comply with the terms of the applicable Account Control Agreement, the termination by a Collection Account Bank of any Account Control Agreement or any amounts (including in respect of any indemnity) payable by the Administrative Agent to a Collection Account Bank under any Account Control Agreement;

(xv) any claim resulting from the sale of goods or the rendering of services related to such Pool Receivable or the furnishing or failure to furnish any such goods or services or other similar claim or defense not arising from the financial inability of any Obligor to pay undisputed indebtedness;

(xvi) any action taken by the Administrative Agent as attorney-in-fact for the Seller, any Originator or the Servicer pursuant to this Agreement or any other Transaction Document using the same degree of skill and attention that the Administrative Agent exercises when acting for its own account;

(xvii) the failure or delay to provide any Obligor with an invoice or other evidence of indebtedness;

(xviii) the use of proceeds of any Investment;

(xix) any reduction in Capital as a result of the distribution of Collections if all or a portion of such distributions shall thereafter be rescinded or otherwise must be returned for any reason

(xx) any failure by the Seller to pay any premium or other amount when due under the terms of a Credit Insurance Policy, to keep a Credit Insurance Policy relating to any Pool Receivable then being reported in an Information Package (or being included in the Net Receivables Pool Balance) as an Insured Receivable in force or to make or perfect any claim for reimbursement under a Credit Insurance Policy; or

(xxi) any insurance premium payments paid by the Administrative Agent on a Credit Insurance Policy in accordance with this Agreement.

(b) [Reserved].

(c) If for any reason the foregoing indemnification is unavailable to any Seller Indemnified Party or insufficient to hold it harmless, then the Seller shall contribute to such Seller Indemnified Party the amount paid or payable by such Seller Indemnified Party as a result of such

loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Seller and its Affiliates on the one hand and such Seller Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Seller and its Affiliates and such Seller Indemnified Party with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Seller under this Section shall be in addition to any liability which the Seller may otherwise have, shall extend upon the same terms and conditions to each Seller Indemnified Party, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Seller and the Seller Indemnified Parties.

(d) Any indemnification or contribution under this Section shall survive the termination of this Agreement.

Section 13.02. Indemnification by the Servicer. (a) The Servicer hereby agrees to indemnify and hold harmless the Seller, the Administrative Agent, the Purchaser Parties, the Affected Persons and their respective assigns, officers, directors, agents and employees (each, a “*Servicer Indemnified Party*”), from and against any loss, liability, expense, damage or injury suffered or sustained, including any judgment, award, settlement, reasonable Attorney Costs and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim (all of the foregoing being collectively referred to as, “*Servicer Indemnified Amounts*”), arising out of:

(i) any Pool Receivable which the Servicer includes as an Eligible Receivable as part of the Net Receivables Pool Balance but which is not an Eligible Receivable at such time;

(ii) any representation, warranty or statement made or deemed made by the Servicer (or any of its respective officers) under or in connection with this Agreement, any of the other Transaction Documents, any Information Package or any other information or report delivered by or on behalf of the Servicer pursuant hereto which shall have been untrue or incorrect in any material respect when made or deemed made;

(iii) the failure by the Servicer to materially comply with any Applicable Law with respect to any Pool Receivable or the related Contract; or the failure of any Pool Receivable or the related Contract to conform to any such Applicable Law;

(iv) the commingling of Collections of Pool Receivables at any time with other funds;

(v) the failure or delay to provide any Obligor with an invoice or other evidence of indebtedness; or

(vi) any failure of the Servicer to comply with its covenants, obligations and agreements contained in this Agreement or any other Transaction Document;

excluding Servicer Indemnified Amounts (i) to the extent a court of competent jurisdiction holds that such Servicer Indemnified Amounts resulted from the bad faith, gross negligence or willful misconduct by the Servicer Indemnified Party seeking indemnification, (ii) Taxes (other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim), (iii) Servicer Indemnified Amounts to the extent the same includes losses in respect of Pool Receivables that are uncollectible solely on account of the insolvency, bankruptcy, lack of creditworthiness or other financial inability to pay of the related Obligor and (iv) such Servicer Indemnified Amounts result from a legal action in which the Servicer, the Seller or any of their Affiliates is the plaintiff and any Servicer Indemnified Party is the defendant, unless such Servicer Indemnified Party prevails in such legal action.

(b) If for any reason the foregoing indemnification is unavailable to any Servicer Indemnified Party or insufficient to hold it harmless, then the Servicer shall contribute to the amount paid or payable by such Servicer Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Servicer and its Affiliates on the one hand and such Servicer Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Servicer and its Affiliates and such Servicer Indemnified Party with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Servicer under this Section shall be in addition to any liability which the Servicer may otherwise have, shall extend upon the same terms and conditions to Servicer Indemnified Party, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Servicer and the Servicer Indemnified Parties.

(c) Any indemnification or contribution under this Section shall survive the termination of this Agreement.

ARTICLE XIV

MISCELLANEOUS

Section 14.01. Amendments, Etc. (a) No failure on the part of any Purchaser Party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. No amendment or waiver of any provision of this Agreement or consent to any departure by any of the Seller or any Affiliate thereof shall be effective unless in a writing signed by the Administrative Agent and the Majority Group Agents (and, in the case of any amendment, also signed by the Seller), and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided, however*, that (A) no amendment, waiver or consent shall, unless in writing and signed by the Servicer, affect the rights or duties of the Servicer under this Agreement; (B) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent and each Group Agent:

(i) change (directly or indirectly) the definitions of, Capital Coverage Deficit, Eligible Receivable, Facility Limit, Seller Obligation Final Due Date or Net Receivables

Pool Balance contained in this Agreement, or change the calculation of the Capital Coverage Amount;

(ii) reduce the amount of Capital or Yield that is payable hereunder or delay any scheduled date for payment thereof;

(iii) change any Event of Termination;

(iv) release all or a material portion of the Sold Assets or Seller Collateral from the Administrative Agent's security interest created hereunder; *provided* that, for the avoidance of doubt, the release of any Sold Assets or Seller Collateral in accordance with the terms of the Purchase and Sale Agreement or this Agreement without the consent of the Group Agents or the Administrative Agent shall not be deemed to be a release of a material portion of Sold Assets or Seller Collateral;

(v) release the Performance Guarantor from any of its obligations under the Performance Guaranty or terminate the Performance Guaranty;

(vi) change any of the provisions of this Section 14.01 or the definition of "Majority Group Agents", or change any requirement for consent of (or designation by) each Group Agent, all Group Agents or any affected Group Agent (as the case may be) in any provision of Section 5.01(g), 14.03(h) or 14.06 or the definition of "Eligible Foreign Currency VaR Percentage"; or

(vii) change the order of priority in which Collections are applied pursuant to Section 4.01 or change any other provision requiring ratable repayments or prepayments in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Purchaser directly affected thereby.

Notwithstanding the foregoing, (A) no amendment, waiver or consent shall increase any Committed Purchaser's Commitment hereunder without the consent of such Committed Purchaser, (B) no amendment, waiver or consent shall reduce any Fees payable by the Seller to any member of any Group or delay the dates on which any such Fees are payable, in either case, without the consent of the Group Agent for such Group and (C) no consent with respect to any amendment, waiver or other modification of this Agreement or any other Transaction Document shall be required of any Defaulting Purchaser, except that (x) the Commitment of any Defaulting Purchaser may not be increased or extended without the consent of such Defaulting Purchaser and (y) any amendment, waiver or other modification referred to in clauses (i) through (vii) above that by its terms affects any Defaulting Purchaser disproportionately adversely relative to other affected Purchasers shall require the consent of such Defaulting Purchaser.

Section 14.02. Notices, Etc.

(a) *Generally.* All notices and other communications hereunder shall, unless otherwise stated herein, be in writing (which shall include email and facsimile communication) and emailed, faxed or delivered, to each party hereto, at its address set forth under its name on Schedule III

hereto or at such other address as shall be designated by such party in a written notice to the other parties hereto. Notices and communications by facsimile shall be effective when sent (and shall be followed by hard copy sent by regular mail), and notices and communications sent by other means shall be effective when received; *provided* that any notice or communication sent after the recipient's normal business hours will be effective upon the opening of the recipient's next Business Day.

(b) *Platform.*

(i) Each of the Seller and the Servicer agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the credit parties by posting the Communications on the Platform.

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Agent or any of its Related Parties (collectively, the "*Agent Parties*") have any liability to any Seller-Related Party, any credit party or any other Person for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of any Seller-Related Party's or the Administrative Agent's transmission of communications through the Platform. "*Communications*" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Seller-Related Party pursuant to any Transaction Document or the transactions contemplated therein which is distributed to the Administrative Agent or any other credit party by means of electronic communications pursuant to this Section, including through the Platform.

Section 14.03. Assignability; Addition of Purchasers.

(a) *Assignment by Conduit Purchasers.* This Agreement and the rights of each Conduit Purchaser hereunder (including its right to receive payments of Capital and Yield) shall be assignable by such Conduit Purchaser and its successors and permitted assigns (i) to any Program Support Provider of such Conduit Purchaser or any other Conduit Purchaser within such Conduit Purchaser's Group without prior notice to or consent from the Seller or any other party, or any other condition or restriction of any kind, (ii) to any other Purchaser with prior notice to the Seller but without consent from the Seller or (iii) with the prior written consent of the Seller (such consent not to be unreasonably withheld, conditioned or delayed; *provided, however*, that such consent shall not be required if an Event of Termination or Unmatured Event of Termination has occurred and is continuing), to any other Eligible Assignee. Each assignor of Capital (or any portion thereof) or any interest therein may, in connection with the assignment or participation, disclose to the assignee or Participant any information relating to the Seller and its Affiliates, including the Receivables, furnished to such assignor by or on behalf of the Seller and its Affiliates or by the

Administrative Agent; *provided* that, prior to any such disclosure, the assignee or Participant agrees to preserve the confidentiality of any confidential information relating to the Seller and its Affiliates received by it from any of the foregoing entities in a manner consistent with Section 14.06(b).

(b) *Assignment by Committed Purchasers.* Each Committed Purchaser may assign to any Eligible Assignee all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment and any Capital or interests therein owned by it); *provided, however* that

(i) except for an assignment by a Committed Purchaser to either an Affiliate of such Committed Purchaser or any other Committed Purchaser, each such assignment shall require the prior written consent of the Seller (such consent not to be unreasonably withheld, conditioned or delayed; *provided, however*, that such consent shall not be required if an Event of Termination or an Unmatured Event of Termination has occurred and is continuing;

(ii) each such assignment shall be of a constant, and not a varying, percentage of all rights and obligations under this Agreement;

(iii) the amount being assigned pursuant to each such assignment (determined as of the date of the Assignment and Acceptance Agreement with respect to such assignment) shall in no event be less than the lesser of (x) \$5,000,000 and (y) all of the assigning Committed Purchaser's Commitment; and

(iv) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance Agreement.

Upon such execution, delivery, acceptance and recording from and after the effective date specified in such Assignment and Acceptance Agreement, (x) the assignee thereunder shall be a party to this Agreement, and to the extent that rights and obligations under this Agreement have been assigned to it pursuant to such Assignment and Acceptance Agreement, have the rights and obligations of a Committed Purchaser hereunder and (y) the assigning Committed Purchaser shall, to the extent that rights and obligations have been assigned by it pursuant to such Assignment and Acceptance Agreement, relinquish such rights and be released from such obligations under this Agreement (and, in the case of an Assignment and Acceptance Agreement covering all or the remaining portion of an assigning Committed Purchaser's rights and obligations under this Agreement, such Committed Purchaser shall cease to be a party hereto).

(c) *Register.* The Administrative Agent shall, acting solely for this purpose as an agent of the Seller, maintain at its address referred to on Schedule III of this Agreement (or such other address of the Administrative Agent notified by the Administrative Agent to the other parties hereto) a copy of each Assignment and Acceptance Agreement delivered to and accepted by it and a register for the recordation of the names and addresses of the Committed Purchasers and the Conduit Purchasers, the Commitment of each Committed Purchaser and the aggregate outstanding

Capital (and stated Yield) of each Conduit Purchaser and Committed Purchaser from time to time (the "Register"). The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Seller, the Servicer, the Administrative Agent, the Group Agents, and the other Purchaser Parties may treat each Person whose name is recorded in the Register as a Committed Purchaser or Conduit Purchaser, as the case may be, under this Agreement for all purposes of this Agreement. The Register shall be available for inspection by the Seller, the Servicer, any Group Agent, any Conduit Purchaser or any Committed Purchaser at any reasonable time and from time to time upon reasonable prior notice.

(d) *Procedure.* Upon its receipt of an Assignment and Acceptance Agreement executed and delivered by an assigning Committed Purchaser and an Eligible Assignee or assignee Committed Purchaser, the Administrative Agent shall, if such Assignment and Acceptance Agreement has been duly completed, (i) accept such Assignment and Acceptance Agreement, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Seller and the Servicer.

(e) *Participations.* Each Committed Purchaser may sell participations to one or more Eligible Assignees (each, a "*Participant*") in or to all or a portion of its rights and/or obligations under this Agreement (including, without limitation, all or a portion of its Commitment and its Capital and Yield thereon); *provided, however*, that

(i) such Committed Purchaser's obligations under this Agreement (including, without limitation, its Commitment to the Seller hereunder) shall remain unchanged, and

(ii) such Committed Purchaser shall remain solely responsible to the other parties to this Agreement for the performance of such obligations.

The Administrative Agent, the Group Agents, the Conduit Purchasers, the other Committed Purchasers, the Seller and the Servicer shall have the right to continue to deal solely and directly with such Committed Purchaser in connection with such Committed Purchaser's rights and obligations under this Agreement. The Seller agrees that each Participant shall be entitled to the benefits of Sections 5.01 and 5.03 (subject to the requirements and limitations therein, including the requirements under Section 5.03(f) (it being understood that the documentation required under Section 5.03(f) shall be delivered to the participating Purchaser)) to the same extent as if it were a Purchaser and had acquired its interest by assignment pursuant to clause (b) of this Section; *provided* that such Participant shall not be entitled to receive any greater payment under Section 5.01 or 5.03, with respect to any participation, than its participating Purchaser would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(f) *Participant Register.* Each Committed Purchaser that sells a participation shall, acting solely for this purpose as an agent of the Seller, maintain a register on which it enters the name and address of each Participant and the Capital (and stated Yield) participated to each Participant, together with each Participant's interest in the other obligations under this Agreement (the "*Participant Register*"); *provided* that no Committed Purchaser shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or

any information relating to a Participant's interest in any Commitments, Capital, Yield or its other obligations under any this Agreement) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Capital, Yield or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Committed Purchaser shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(g) *Assignments by Agents.* This Agreement and the rights and obligations of the Administrative Agent and each Group Agent herein shall be assignable by the Administrative Agent or such Group Agent, as the case may be, and its successors and assigns; *provided* that in the case of an assignment to a Person that is not an Affiliate of the Administrative Agent or such Group Agent, so long as no Event of Termination or Unmatured Event of Termination has occurred and is continuing, such assignment shall require the Seller's consent (not to be unreasonably withheld, conditioned or delayed).

(h) *Assignments by the Seller or the Servicer.* Neither the Seller nor, except as provided in Section 9.01, the Servicer may assign any of its respective rights or obligations hereunder or any interest herein without the prior written consent of the Administrative Agent and each Group Agent (such consent to be provided or withheld in the sole discretion of such Person).

(i) *Addition of Purchasers or Groups.* The Seller may, with written notice to the Administrative Agent and each Group Agent, add additional Persons as Purchasers (by creating a new Group) or cause an existing Purchaser to increase its Commitment; *provided, however*, that the Commitment of any existing Purchaser may only be increased with the prior written consent of such Purchaser. Each new Purchaser (or Group) shall become a party hereto, by executing and delivering to the Administrative Agent and the Seller, an assumption agreement (each, an "*Assumption Agreement*") in the form of Exhibit D hereto (which Assumption Agreement shall, in the case of any new Purchaser, be executed by each Person in such new Purchaser's Group).

(j) *Pledge to a Federal Reserve Bank.* Notwithstanding anything to the contrary set forth herein, (i) any Purchaser, Program Support Provider or any of their respective Affiliates may at any time pledge or grant a security interest in all or any portion of its interest in, to and under this Agreement (including, without limitation, rights to payment of Capital and Yield) and any other Transaction Document to secure its obligations to a Federal Reserve Bank or The Bank of Canada, without notice to or the consent of the Seller, the Servicer, any Affiliate thereof or any Purchaser Party; *provided, however*, that that no such pledge shall relieve such assignor of its obligations under this Agreement.

(k) *Pledge to a Security Trustee.* Notwithstanding anything to the contrary set forth herein, any Conduit Purchaser may at any time pledge or grant a security interest in all or any portion of its interest in, to and under this Agreement (including, without limitation, rights to payment of Capital and Yield) and any other Transaction Document to a collateral trustee (or Person acting in a similar capacity) as collateral security in connection with such Conduit

Purchaser's asset-backed commercial paper note program, without notice to or the consent of the Seller, the Servicer, any Affiliate thereof or any Purchaser Party; *provided, however*, that that no such pledge shall relieve such assignor of its obligations under this Agreement.

(l) Notwithstanding anything to the contrary herein, no sale, pledge, assignment or other transfer contemplated in this Section 14.03 may be made by any Purchaser to any entity that is a variable interest entity as defined in FASB Accounting Standards Codification Topic 810 unless (i) such entity's source of funding for its Investments hereunder does not and will not be repayable or redeemable solely from 90% or more of such entity's interest in the Pool Receivables and (ii) such entity's outstanding Capital does not and will not exceed 50% of the fair value of such entity's total assets.

Section 14.04. Costs and Expenses. In addition to the rights of indemnification granted under Section 13.01 hereof, the Seller agrees to pay on demand all reasonable and documented out-of-pocket costs and expenses in connection with the preparation, negotiation, execution, delivery and administration of this Agreement and the other Transaction Documents (together with all amendments, restatements, supplements, consents and waivers, if any, from time to time hereto and thereto), including, without limitation, (i) the reasonable Attorney Costs for the Administrative Agent and the other Purchaser Parties and any of their respective Affiliates with respect thereto and with respect to advising the Administrative Agent and the other Purchaser Parties and their respective Affiliates as to their rights and remedies under this Agreement and the other Transaction Documents (in each case, limited to a single counsel for all Purchaser Parties and their respective Affiliates) and (ii) subject to Section 8.01(g), reasonable and documented accountants', auditors' and consultants' fees and expenses for the Administrative Agent and the other Purchaser Parties and any of their respective Affiliates (in each case, limited to a single accountant, auditor or consultant for all Purchaser Parties and their respective Affiliates) incurred in connection with the administration and maintenance of this Agreement or advising the Administrative Agent or any other Purchaser Party as to their rights and remedies under this Agreement or as to any actual or reasonably claimed breach of this Agreement or any other Transaction Document. In addition, the Seller agrees to pay on demand all reasonable and documented out-of-pocket costs and expenses (including reasonable Attorney Costs (in each case, limited to a single counsel for all Purchaser Parties and their respective Affiliates)), of the Administrative Agent and the other Purchaser Parties and their respective Affiliates, incurred in connection with the enforcement of any of their respective rights or remedies under the provisions of this Agreement and the other Transaction Documents.

Section 14.05. No Proceedings; Limitation on Payments. (a) Each of the Seller, the Administrative Agent, the Servicer, each Group Agent, each Purchaser and each assignee of Capital or any Yield thereof or of any other Seller Obligations agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser any Insolvency Proceeding so long as any Notes or other senior indebtedness issued by such Conduit Purchaser shall be outstanding or there shall not have elapsed one year plus one day since the last day on which any such Notes or other senior indebtedness shall have been outstanding.

(b) Each of the Servicer, each Group Agent, each Purchaser and each assignee of Capital or any Yield thereof or of any other Seller Obligations, hereby covenants and agrees that it will

not institute against, or join any other Person in instituting against, the Seller any Insolvency Proceeding until one year and one day after the Final Payout Date; *provided*, that the Administrative Agent may take any such action in its sole discretion following the occurrence of an Event of Termination. Notwithstanding the foregoing and without limiting any of the rights of the Administrative Agent and the Purchasers set forth in Article X (including, without limitation, the rights of foreclosure and liquidation of the Sold Assets and Seller Collateral and all proceeds thereof, the right to declare the Termination Date and the right to declare the Seller Obligation Final Due Date to have occurred), if any amounts due on the Seller Obligation Final Due Date or on the date on which the Administrative Agent declares the Aggregate Capital and all other Seller Obligations to be immediately due and payable pursuant to Section 10.01 cannot be fully satisfied from funds from the Sold Assets and Seller Collateral, such deficiency shall not constitute a claim (as defined in Section 101 of the Bankruptcy Code) against the Seller.

(c) Notwithstanding any provisions contained in this Agreement to the contrary, a Conduit Purchaser shall not, and shall be under no obligation to, pay any amount, if any, payable by it pursuant to this Agreement or any other Transaction Document unless (i) such Conduit Purchaser has received funds which may be used to make such payment and which funds are not required to repay such Conduit Purchaser's Notes when due and (ii) after giving effect to such payment, either (x) such Conduit Purchaser could issue Notes to refinance all of its outstanding Notes (assuming such outstanding Notes matured at such time) in accordance with the program documents governing such Conduit Purchaser's securitization program or (y) all of such Conduit Purchaser's Notes are paid in full. Any amount which any Conduit Purchaser does not pay pursuant to the operation of the preceding sentence shall not constitute a claim (as defined in Section 101 of the Bankruptcy Code) against or company obligation of such Conduit Purchaser for any such insufficiency unless and until such Conduit Purchaser satisfies the provisions of clauses (i) and (ii) above. The provisions of this Section 14.05 shall survive any termination of this Agreement.

Section 14.06. Confidentiality. (a) Each of the Seller and the Servicer, severally and with respect to itself only, covenants and agrees to hold in confidence, and not disclose to any Person, the terms of this Agreement or the Fee Letter (including any fees payable in connection with this Agreement, the Fee Letter or any other Transaction Document or the identity of the Administrative Agent or any other Purchaser Party), except as the Administrative Agent and each Group Agent may have consented to in writing prior to any proposed disclosure; *provided, however*, that it may disclose such information (i) to its Advisors and Representatives, (ii) to the extent such information has become available to the public other than as a result of a disclosure by or through the Seller, the Servicer or their Advisors and Representatives or (iii) to the extent it should be (A) required by Applicable Law, or in connection with any legal or regulatory proceeding or (B) requested by any Governmental Authority to disclose such information; *provided*, that, in the case of clause (iii) above, the Seller and the Servicer will use reasonable efforts to maintain confidentiality and will (unless otherwise prohibited by Applicable Law) notify the Administrative Agent and the affected Purchaser Party of making any such disclosure as promptly as reasonably practicable thereafter; *provided, further*, the Parent or any of its Affiliates may file copies of the Transaction Documents with the SEC to the extent that such Person is required by Applicable Law to do so. Each of the Seller and the Servicer agrees to be responsible for any breach of this Section by its Representatives and Advisors and agrees that its Representatives and Advisors will be

advised by it of the confidential nature of such information and shall agree to comply with this Section. Notwithstanding the foregoing, it is expressly agreed that each of the Seller, the Servicer and their respective Affiliates may publish a press release or otherwise publicly announce the existence and principal amount of the Commitments under this Agreement and the transactions contemplated hereby; *provided* that the Administrative Agent shall be provided a reasonable opportunity to review such press release or other public announcement prior to its release and provide comment thereon; and *provided, further*, that no such press release shall name or otherwise identify the Administrative Agent, any other Purchaser Party or any of their respective Affiliates without such Person's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed).

(b) Each of the Administrative Agent and each other Purchaser Party, severally and with respect to itself only, agrees to hold in confidence, and not disclose to any Person, any confidential and proprietary information concerning the Seller, the Servicer and their respective Affiliates and their businesses or the terms of this Agreement (including any fees payable in connection with this Agreement or the other Transaction Documents), except as the Seller or the Servicer may have consented to in writing prior to any proposed disclosure; *provided, however*, that it may disclose such information (i) to its Advisors and Representatives and to any related Program Support Provider, (ii) to its assignees and Participants and potential assignees and Participants and their respective counsel if they agree in writing to hold it confidential, (iii) to the extent such information has become available to the public other than as a result of a disclosure by or through it or its Representatives or Advisors or any related Program Support Provider, (iv) to any nationally recognized statistical rating organization in connection with obtaining or maintaining the rating of any Conduit Purchaser's Notes or as contemplated by 17 CFR 240.17g-5(a)(3), (v) at the request of a bank examiner or other regulatory authority (including any self-regulatory authority such as the National Association of Insurance Commissioners) or in connection with an examination of any of the Administrative Agent, any Group Agent or any Purchaser or their respective Affiliates or Program Support Providers or (vi) to the extent it should be (A) required by Applicable Law, or in connection with any legal or regulatory proceeding or (B) requested by any Governmental Authority to disclose such information; *provided*, that, in the case of clauses (v) and (vi) above, the Administrative Agent, each Group Agent and each Purchaser will use reasonable efforts to maintain confidentiality and will (unless otherwise prohibited by Applicable Law) notify the Seller and the Servicer of its making any such disclosure as promptly as reasonably practicable thereafter. Each of the Administrative Agent, each Group Agent and each Purchaser, severally and with respect to itself only, agrees to be responsible for any breach of this Section by its Representatives, Advisors and Program Support Providers and agrees that its Representatives, Advisors and Program Support Providers will be advised by it of the confidential nature of such information and shall agree to comply with this Section.

(c) As used in this Section, (i) "*Advisors*" means, with respect to any Person, such Person's accountants, attorneys and other confidential advisors and (ii) "*Representatives*" means, with respect to any Person, such Person's Affiliates, Subsidiaries, directors, managers, officers, employees, members, investors, financing sources, insurers, professional advisors, representatives and agents; *provided* that such Persons shall not be deemed to Representatives of a Person unless (and solely to the extent that) confidential information is furnished to such Person.

(d) Notwithstanding the foregoing, to the extent not inconsistent with applicable securities laws, each party hereto (and each of its employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure (as defined in Section 1.6011-4 of the Treasury Regulations) of the transactions contemplated by the Transaction Documents and all materials of any kind (including opinions or other tax analyses) that are provided to such Person relating to such tax treatment and tax structure.

Section 14.07. GOVERNING LAW. THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF, EXCEPT TO THE EXTENT THAT THE PERFECTION, THE EFFECT OF PERFECTION OR PRIORITY OF THE INTERESTS OF ADMINISTRATIVE AGENT OR ANY PURCHASER IN THE SOLD ASSETS OR SELLER COLLATERAL IS GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK).

Section 14.08. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed counterpart hereof by facsimile or other electronic means shall be equally effective as delivery of an originally executed counterpart.

Section 14.09. Integration; Binding Effect; Survival of Termination. This Agreement and the other Transaction Documents contain the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof superseding all prior oral or written understandings. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement shall create and constitute the continuing obligations of the parties hereto in accordance with its terms and shall remain in full force and effect until the Final Payout Date; *provided, however,* that the provisions of Sections 3.08, 3.09, 3.10, 5.01, 5.02, 5.03, 11.04, 11.06, 12.04, 13.01, 13.02, 14.04, 14.05, 14.06, 14.09, 14.11 and 14.13 shall survive any termination of this Agreement.

Section 14.10. CONSENT TO JURISDICTION. (a) EACH PARTY HERETO HEREBY IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN NEW YORK CITY, NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT, AND EACH PARTY HERETO HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED, IN EACH CASE, IN SUCH NEW YORK STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. NOTHING IN THIS SECTION 14.10 SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY OTHER PURCHASER PARTY TO BRING ANY ACTION OR PROCEEDING AGAINST THE SELLER OR THE SERVICER OR ANY OF THEIR RESPECTIVE PROPERTY IN THE COURTS OF OTHER JURISDICTIONS. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING. THE PARTIES HERETO AGREE 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.

(b) EACH PARTY HERETO CONSENTS TO THE SERVICE OF ANY AND ALL PROCESS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES OF SUCH PROCESS TO IT AT ITS ADDRESS SPECIFIED IN SECTION 14.02. NOTHING IN THIS SECTION 14.10 SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY OTHER PURCHASER PARTY TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

Section 14.11. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT.

Section 14.12. Ratable Payments. If any Purchaser Party, whether by setoff or otherwise, has payment made to it with respect to any Seller Obligations in a greater proportion than that received by any other Purchaser Party entitled to receive a ratable share of such Seller Obligations, such Purchaser Party agrees, promptly upon demand, to purchase for cash without recourse or warranty a portion of such Seller Obligations held by the other Purchaser Parties so that after such purchase each Purchaser Party will hold its ratable proportion of such Seller Obligations; *provided* that if all or any portion of such excess amount is thereafter recovered from such Purchaser Party, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

Section 14.13. Limitation of Liability. (a) No claim may be made by the Seller or any Affiliate thereof or any other Person against any Purchaser Party or their respective Affiliates, members, directors, officers, employees, incorporators, attorneys or agents for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement or any other Transaction Document, or any act, omission or event occurring in connection herewith or therewith; and each of the Seller and the Servicer hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor. None of the Purchaser Parties and their respective Affiliates shall have any liability to the Seller or any Affiliate thereof or any other Person asserting claims on behalf of or in right of the Seller or any Affiliate thereof in connection with or as a result of this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby, except to the extent that any losses, claims, damages, liabilities or expenses incurred by the Seller or any Affiliate thereof result from the breach of contract, gross negligence or willful misconduct of such Purchaser Party in performing its duties and obligations hereunder and under the other Transaction Documents to which it is a party.

(b) The obligations of the Administrative Agent and each of the other Purchaser Parties under this Agreement and each of the Transaction Documents are solely the corporate obligations of such Person. No recourse shall be had for any obligation or claim arising out of or based upon

this Agreement or any other Transaction Document against any member, director, officer, employee or incorporator of any such Person.

Section 14.14. Intent of the Parties. The Seller has structured this Agreement with the intention that the obligations of the Seller hereunder (including the obligation to return Capital to the Purchasers and make payments of Yield thereon) will be treated under United States federal, and applicable state, local and foreign tax law as debt (the “*Intended Tax Treatment*”). The Seller, the Servicer, the Administrative Agent and the other Purchaser Parties agree to file no tax return, or take any action, inconsistent with the Intended Tax Treatment unless required by law. Each assignee and each Participant acquiring an interest in an Investment, by its acceptance of such assignment or participation, agrees to comply with the immediately preceding sentence.

Section 14.15. USA Patriot Act. Each of the Administrative Agent and each of the other Purchaser Parties hereby notifies the Seller and the Servicer that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the “*PATRIOT Act*”), the Administrative Agent and the other Purchaser Parties may be required to obtain, verify and record information that identifies the Seller, the Originators, the Servicer and the Performance Guarantor, which information includes the name, address, tax identification number and other information regarding the Seller, the Originators, the Servicer and the Performance Guarantor that will allow the Administrative Agent and the other Purchaser Parties to identify the Seller, the Originators, the Servicer and the Performance Guarantor in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act. Each of the Seller and the Servicer agrees to promptly provide the Administrative Agent and each of the other Purchaser Parties, from time to time, with all documentation and other information required by bank regulatory authorities under “know your customer” and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act.

Section 14.16. Reserved.

Section 14.17. Severability. Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 14.18. Mutual Negotiations. This Agreement and the other Transaction Documents are the product of mutual negotiations by the parties thereto and their counsel, and no party shall be deemed the draftsperson of this Agreement or any other Transaction Document or any provision hereof or thereof or to have provided the same. Accordingly, in the event of any inconsistency or ambiguity of any provision of this Agreement or any other Transaction Document, such inconsistency or ambiguity shall not be interpreted against any party because of such party’s involvement in the drafting thereof.

Section 14.19. Captions and Cross References. The various captions (including the table of contents) in this Agreement are provided solely for convenience of reference and shall not affect the meaning or interpretation of any provision of this Agreement. Unless otherwise indicated,

references in this Agreement to any Section, Schedule or Exhibit are to such Section Schedule or Exhibit to this Agreement, as the case may be, and references in any Section, subsection, or clause to any subsection, clause or subclause are to such subsection, clause or subclause of such Section, subsection or clause.

Section 14.20. Purchaser Representation. Each Purchaser hereby represents, warrants and agrees that either (A) such Purchaser is not a variable interest entity as defined in FASB Accounting Standards Codification Topic 810 or (B) (i) such Purchaser's source of funding for its Investments hereunder does not and will not be repayable or redeemable solely from 90% or more of such Purchaser's interest in the Receivables and (ii) such Purchaser's outstanding Capital does not and will not exceed 50% of the fair value of such Purchaser's total assets. Each Pool Purchaser shall promptly notify the Seller and the Servicer if it becomes aware that any of the statements in the foregoing sentence are not correct.

Section 14.21. Amendment and Restatement. This Agreement shall become effective on the Restatement Effective Date and shall supersede all provisions of the Existing Receivables Purchase Agreement as of such date and the Existing Receivables Purchase Agreement shall thereafter be of no further force and effect, except to evidence (i) the incurrence by each of the Seller and the Servicer of the obligations under the Existing Receivables Purchase Agreement (whether or not such obligations are contingent as of the Restatement Effective Date), (ii) the representations and warranties made by each of the Seller and the Servicer prior to the Restatement Effective Date and (iii) any action or omission performed or required to be performed pursuant to such Existing Receivables Purchase Agreement prior to the Restatement Effective Date. From and after the Restatement Effective Date all references made to the Existing Receivables Purchase Agreement in any Transaction Document or in any other instrument or document shall, without further action, be deemed to refer to this Agreement. This Agreement amends and restates the Existing Receivables Purchase Agreement and is not intended to be or operate as a novation or an accord and satisfaction of the Existing Receivables Purchase Agreement or the obligations and liabilities of Seller evidenced or provided for thereunder. Without limiting the generality of the foregoing, the Seller agrees that notwithstanding the execution and delivery of this Agreement, the security interest, lien, collateral security or supporting obligations previously granted to the Administrative Agent in its individual capacity pursuant to the Transaction Documents shall be and remain in full force and effect and that any rights and remedies of the Administrative Agent in its individual capacity thereunder and obligations of the Seller thereunder shall be and remain in full force and effect, shall not be affected, impaired or discharged thereby and shall secure all of Seller's Guaranteed Obligations and liabilities to Administrative Agent and the Purchasers under the Existing Receivables Purchase Agreement as amended and restated hereby. Without limiting the foregoing, the parties to this Agreement hereby acknowledge and agree that the "Receivables Purchase Agreement" referred to in the Transaction Documents shall from and after the date hereof be deemed references to this Agreement.

Section 14.22. Equalization of Aggregate Capital and Commitments. All Capital outstanding under the Existing Receivables Purchase Agreement on the Restatement Effective Date (and which has not been satisfied on the Restatement Effective Date) shall continue to remain outstanding under this Agreement and, in connection therewith, each of the Committed Purchasers hereto (or the Related Conduit Purchasers on their behalf) each agree to make such purchases and

sales of the Capital of the other Purchasers as the Administrative Agent shall determine may be necessary in order for each Committed Purchaser (or its Related Conduit Purchasers on its behalf) to hold such Capital in accordance with its Percentage. Such purchases and sales shall be arranged through the Administrative Agent and each Purchaser hereby agrees to execute such further instruments and documents, if any, as the Administrative Agent may reasonably request in connection therewith. The Seller hereby consents to such transfers. The parties hereto agree that such transfers shall be deemed to be, and satisfy the conditions to, assignments under Section 14.03 of the Existing Receivables Purchase Agreement.

Section 14.23. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Solely to the extent any Purchaser that is an Affected Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Transaction Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Purchaser that is an Affected Financial Institution arising under any Transaction Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Purchaser that is an Affected Financial Institution; and

- (b) the effects of any Bail-in Action on any such liability, including, if applicable:

- (i) a reduction in full or in part or cancellation of any such liability;

- (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Transaction Document; or

- (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

[SIGNATURE PAGES FOLLOW]

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

WARNER BROS. DISCOVERY RECEIVABLES
FUNDING, LLC

By: _____
Name: _____
Title: _____

TURNER BROADCASTING SYSTEM, INC.,
as the Servicer

By: _____
Name: _____
Title: _____

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Name: _____
Title: _____

PNC BANK, NATIONAL ASSOCIATION,
as Group Agent for the PNC Group

By: _____
Name: _____
Title: _____

PNC BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

PNC CAPITAL MARKETS LLC,
as Structuring Agent and as Sustainability
Agent

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Group Agent for the Wells Group

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

MIZUHO BANK, LTD.,
as Group Agent for the Mizuho Group

By: _____
Name: _____
Title: _____

MIZUHO BANK, LTD.,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

THE TORONTO-DOMINION BANK,
as Group Agent for the Toronto-Dominion
Group

By: _____
Name: _____
Title: _____

THE TORONTO-DOMINION BANK,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

COMPUTERSHARE TRUST COMPANY OF CANADA,
in its capacity as Trustee of BANNER TRUST,
by its Financial Services Agent, TD
SECURITIES, INC.,
as a Conduit Purchaser

By: _____
Name: _____
Title: _____

BANCO SANTANDER, S.A., NEW YORK BRANCH
as Group Agent for the Santander Group

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

BANCO SANTANDER, S.A., NEW YORK BRANCH
as a Committed Purchaser

By: _____
Name: _____
Title: _____

BANK OF AMERICA, NATIONAL ASSOCIATION,
as Group Agent for the Bank of America
Group

By: _____
Name: _____
Title: _____

BANK OF AMERICA, NATIONAL ASSOCIATION,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

TRUIST BANK,
as Group Agent for the Truist Bank Group

By: _____
Name: _____
Title: _____

TRUIST BANK,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

THE BANK OF NOVA SCOTIA,
as Group Agent for the Scotia Group

By: _____
Name: _____
Title: _____

THE BANK OF NOVA SCOTIA,
as a Committed Purchaser

By: _____
Name: _____
Title: _____

LIBERTY STREET FUNDING LLC, as Conduit
Purchaser

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF INVESTMENT REQUEST

[Letterhead of Seller]

[Date]

[Administrative Agent]

[Group Agents]

Re: Investment Request

Ladies and Gentlemen:

Reference is hereby made to that certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022, among Warner Bros. Discovery Receivables Funding, LLC (the "*Seller*"), Turner Broadcasting System, Inc., as Servicer (the "*Servicer*"), the Purchasers party thereto, the Group Agents party thereto, PNC Bank, National Association, as Administrative Agent (in such capacity, the "*Administrative Agent*"), and PNC Capital Markets LLC, as Structuring Agent and as Sustainability Agent (as amended, supplemented or otherwise modified from time to time, the "*Agreement*"). Capitalized terms used in this Investment Request and not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

This letter constitutes an Investment Request pursuant to Section 2.02(a) of the Agreement. The Seller hereby request an Investment of Capital in the aggregate amount of [\$_____] to be made on [____, 202_] (of which \$[____] of Capital will be funded by the PNC Group and \$[____] of Capital will be funded by the [____] Group. Such Capital should be deposited to [Account number], at [Name, Address and ABA Number of Bank]. After giving effect to such Investment, the Aggregate Capital will be [\$_____].

The Seller hereby represents and warrants as of the date hereof, and after giving effect to such Investment, as follows:

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 of the Agreement are true and correct in all material respects on and as of the date of such Investment as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, and no Event of Termination or Unmatured Event of Termination would result from such Investment;

EXHIBIT A

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such Investment;

(iv) the Aggregate Capital will be equal to or greater than an amount that is equal to the lesser of (a) sixty-six and sixty-seven hundredths percent (66.67%) of the Facility Limit at such time and (b) the Capital Coverage Amount at such time;

(v) the Termination Date has not occurred[.][; and]

[(vi) the Sold Receivables are identified on the Schedule of Sold Receivables attached hereto.]

IN WITNESS WHEREOF, the undersigned has executed this letter by its duly authorized officer as of the date first above written.

Very truly yours,

WARNER BROS. DISCOVERY RECEIVABLES
FUNDING, LLC

By: _____
Name:
Title:

EXHIBIT B

FORM OF REDUCTION NOTICE

[LETTERHEAD OF SELLER]

[Date]

[Administrative Agent]

[Group Agents]

Re: Reduction Notice

Ladies and Gentlemen:

Reference is hereby made to that certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022, among Warner Bros. Discovery Receivables Funding, LLC, as Seller (the "*Seller*"), Turner Broadcasting System, Inc., as Servicer (the "*Servicer*"), the Purchasers party thereto, PNC Bank, National Association, as Administrative Agent (in such capacity, the "*Administrative Agent*"), and PNC Capital Markets LLC, as Structuring Agent and as Sustainability Agent (as amended, supplemented or otherwise modified from time to time, the "*Agreement*"). Capitalized terms used in this Reduction Notice and not otherwise defined herein shall have the meanings assigned thereto in the Agreement.

This letter constitutes a Reduction Notice pursuant to Section 2.02(d) of the Agreement. The Seller hereby notifies the Administrative Agent and the Purchasers that it shall reduce the outstanding Capital of the Purchasers [in the [] Group] in the amount of [\$] to be made on [], 202[]. After giving effect to such reduction, the [outstanding Capital of the Purchasers in the [] Group will be [\$] and the Aggregate Capital will be [\$].

The Seller hereby represents and warrants as of the date hereof, and after giving effect to such reduction, as follows:

(i) the representations and warranties of the Seller and the Servicer contained in Sections 7.01 and 7.02 of the Agreement are true and correct in all material respects on and as of the date of such reduction as though made on and as of such date unless such representations and warranties by their terms refer to an earlier date, in which case they shall be true and correct in all material respects on and as of such earlier date;

(ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, and no Event of Termination or Unmatured Event of Termination would result from such reduction;

EXHIBIT B

(iii) no Capital Coverage Deficit exists or would exist after giving effect to such reduction; and

(iv) the Termination Date has not occurred.

IN WITNESS WHEREOF, the undersigned has executed this letter by its duly authorized officer as of the date first above written.

Very truly yours,

WARNER BROS. DISCOVERY RECEIVABLES
FUNDING, LLC

By: _____
Name:
Title:

EXHIBIT C

[FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT]

Dated as of _____, 20__

Section 1.

Commitment assigned:	\$[_____]
Assignor's remaining Commitment:	\$[_____]
Capital allocable to Commitment assigned:	\$[_____]
Assignor's remaining Capital:	\$[_____]
Yield (if any) allocable to Capital assigned:	\$[_____]
Yield (if any) allocable to Assignor's remaining Capital:	\$[_____]

Section 2.

Effective Date of this Assignment and Acceptance Agreement: [_____]

Upon execution and delivery of this Assignment and Acceptance Agreement by the assignee and the assignor and the satisfaction of the other conditions to assignment specified in Section 14.03(b) of the Agreement (as defined below), from and after the effective date specified above, the assignee shall become a party to, and, to the extent of the rights and obligations thereunder being assigned to it pursuant to this Assignment and Acceptance Agreement, shall have the rights and obligations of a Committed Purchaser under that certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022, among Warner Bros. Discovery Receivables Funding, LLC, as Seller, Turner Broadcasting System, Inc., as Servicer, the Purchasers party thereto, the Group Agents party thereto, PNC Bank, National Association, as Administrative Agent, and PNC Capital Markets LLC, as Structuring Agent and as Sustainability Agent (as amended, supplemented or otherwise modified from time to time, the "*Agreement*").

[Signature Pages Follow]

ASSIGNOR:

[]

By: _____

Name:

Title

ASSIGNEE:

[]

By: _____

Name:

Title

[Address]

Accepted as of date first above
written:

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: _____

Name:

Title:

WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC,
as Seller

By: _____

Name:

Title:

EXHIBIT D

[FORM OF ASSUMPTION AGREEMENT]

THIS ASSUMPTION AGREEMENT (this “*Agreement*”), dated as of [_____, ____], is among Warner Bros. Discovery Receivables Funding, LLC (the “*Seller*”), [_____, ____], as conduit Purchaser (the “[_____] *Conduit Purchaser*”), [_____, ____], as the Related Committed Purchaser (the “[_____] *Committed Purchaser*” and together with the Conduit Purchaser, the “[_____] *Purchasers*”), and [_____, ____], as group agent for the [_____] Purchasers (the “[_____] *Group Agent*” and together with the [_____] Purchasers, the “[_____] *Group*”).

BACKGROUND

The Seller and various others are parties to a certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022 (as amended through the date hereof and as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the “*Receivables Purchase Agreement*”). Capitalized terms used and not otherwise defined herein have the respective meaning assigned to such terms in the Receivables Purchase Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

Section 1. This letter constitutes an Assumption Agreement pursuant to Section 14.03(i) of the Receivables Purchase Agreement. The Seller desires [the [_____] Purchasers] [the [_____] Committed Purchaser] to [become a Group] [increase its existing Commitment] under the Receivables Purchase Agreement, and upon the terms and subject to the conditions set forth in the Receivables Purchase Agreement, the [[_____] Purchasers] [[_____] Committed Purchaser] agree[s] to [become Purchasers within a Group thereunder] [increase its Commitment to the amount set forth as its “Commitment” under the signature of such [_____] Committed Purchaser hereto].

The Seller hereby represents and warrants to the [_____] Purchasers and the [_____] Group Agent as of the date hereof, as follows:

- (i) the representations and warranties of the Seller contained in Section 7.01 of the Receivables Purchase Agreement are true and correct on and as of such date as though made on and as of such date;
- (ii) no Event of Termination or Unmatured Event of Termination has occurred and is continuing, or would result from the assumption contemplated hereby; and
- (iii) the Termination Date shall not have occurred.

Section 2. Upon execution and delivery of this Agreement by the Seller and each member of the [_____] Group, satisfaction of the other conditions with respect to the addition of a Group

specified in Section 14.03(i) of the Receivables Purchase Agreement (including the written consent of the Administrative Agent and the Majority Group Agents) and receipt by the Administrative Agent of counterparts of this Agreement (whether by facsimile or otherwise) executed by each of the parties hereto, [the [_____] Purchasers shall become a party to, and have the rights and obligations of Purchasers under, the Receivables Purchase Agreement and the “Commitment” with respect to the Committed Purchasers in such Group as shall be as set forth under the signature of each such Committed Purchaser hereto] [the [_____] Committed Purchaser shall increase its Commitment to the amount set forth as the “Commitment” under the signature of the [_____] Committed Purchaser hereto].

Section 3. Each party hereto hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any federal or state bankruptcy or similar law, for one year and one day after the latest maturing commercial paper notes or other senior indebtedness issued by such Conduit Purchaser is paid in full. The covenant contained in this paragraph shall survive any termination of the Receivables Purchase Agreement.

Section 4. THIS AGREEMENT, INCLUDING THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK (INCLUDING SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT WITHOUT REGARD TO ANY OTHER CONFLICTS OF LAW PROVISIONS THEREOF). This Agreement may not be amended or supplemented except pursuant to a writing signed by each of the parties hereto and may not be waived except pursuant to a writing signed by the party to be charged. This Agreement may be executed in counterparts, and by the different parties on different counterparts, each of which shall constitute an original, but all together shall constitute one and the same agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the date first above written.

[_____] , as a Conduit Purchaser

By: _____
Name Printed: _____
Title: _____
[Address] _____

[_____] , as a Committed Purchaser

By: _____
Name Printed: _____
Title: _____
[Address] _____
[Commitment] _____

[_____] , as Group Agent for
[_____]

By: _____
Name Printed: _____
Title: _____
[Address] _____

WARNER BROS. DISCOVERY RECEIVABLES FUNDING, LLC,
as Seller

By: _____
Name Printed: _____
Title: _____

EXHIBIT E

[RESERVED]

EXHIBIT F

[RESERVED]

EXHIBIT F

EXHIBIT G

FORM OF INFORMATION PACKAGE

(Attached)

EXHIBIT G

EXHIBIT H

FORM OF COMPLIANCE CERTIFICATE

To: PNC Bank, National Association, as Administrative Agent

This Compliance Certificate is furnished pursuant to that certain Fourth Amended and Restated Receivables Purchase Agreement, dated as of August 30, 2022, among Warner Bros. Discovery Receivables Funding, LLC (the "*Seller*"), Turner Broadcasting System, Inc., as Servicer (the "*Servicer*"), the Purchasers party thereto, the Group Agents party thereto, PNC Bank, National Association, as Administrative Agent (in such capacity, the "*Administrative Agent*"), and PNC Capital Markets LLC, as Structuring Agent and as Sustainability Agent (as amended, supplemented or otherwise modified from time to time, the "*Agreement*"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in the Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected _____ of the Servicer.
2. I have reviewed the terms of the Agreement and each of the other Transaction Documents and I have made, or have caused to be made under my supervision, a detailed review of the transactions and condition of the Seller during the accounting period covered by the attached financial statements.
3. The examinations described in paragraph 2 above did not disclose, and I have no knowledge of, the existence of any condition or event which constitutes an Event of Termination or an Unmatured Event of Termination, as each such term is defined under the Agreement, during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate[, except as set forth in paragraph 5 below].
4. Schedule I attached hereto sets forth financial statements of the Parent and its Subsidiaries for the period referenced on such Schedule I.
- [5. Described below are the exceptions, if any, to paragraph 3 above by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which Seller has taken, is taking, or proposes to take with respect to each such condition or event:]

The foregoing certifications are made and delivered this _____ day of _____, 20____.

TURNER BROADCASTING SYSTEM, INC.

By: _____
Name: _____
Title: _____

SCHEDULE I TO COMPLIANCE CERTIFICATE

A. Schedule of Compliance as of _____, 20__ with Section 8.02(b)(i) of the Agreement. Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Agreement.

This schedule relates to the month ended: _____.

B. The following financial statements of the Parent and its Subsidiaries for the period ending on _____, 20__, are attached hereto:

EXHIBIT I

RESERVED

EXHIBIT I

EXHIBIT I-2

**RESTATEMENT EFFECTIVE DATE
CLOSING MEMORANDUM**

(Attached)

EXHIBIT J

RESERVED

EXHIBIT J

EXHIBIT K

RESERVED

EXHIBIT K

EXHIBIT L

DEFINED TERMS

“Account Control Agreement” means each agreement, in form and substance satisfactory to the Administrative Agent, among the Seller, the Servicer (if applicable), the applicable Originator (if applicable), the Administrative Agent and a Collection Account Bank, governing the terms of the related Collection Accounts, that (i) provides the Administrative Agent with control within the meaning of the UCC over the deposit accounts subject to such agreement and (ii) by its terms, may not be terminated or canceled by the related Collection Account Bank without the written consent of the Administrative Agent or upon no less than sixty (60) days prior written notice to the Administrative Agent or such lesser amount of time agreed to by the Administrative Agent and the applicable Collection Account Bank.

“Adjusted Receivables Pool Balance” means, at any time of determination: (a) the aggregate Outstanding Balance of all Pool Receivables as of such date, *minus* (b) the Excess Concentration determined in accordance with clause (g) of the definition thereof as of such date, *minus* (c) the Excess Concentration determined in accordance with clause (h) of the definition thereof as of such date, *minus* (d) without duplication, the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for one (1) day or more from the original due date for such payment or 31 days or more after the original invoice date for such payment.

“Administrative Agent” means PNC, in its capacity as contractual representative for the Purchaser Parties, and any successor thereto in such capacity appointed pursuant to Article XI or Section 14.03(g).

“Adverse Claim” means any ownership interest or claim, mortgage, deed of trust, pledge, lien, security interest, hypothecation, charge or other encumbrance or security arrangement of any nature whatsoever, whether voluntarily or involuntarily given, including, but not limited to, any conditional sale or title retention arrangement, and any assignment, deposit arrangement or lease intended as, or having the effect of, security and any filed financing statement or other notice of any of the foregoing (whether or not a lien or other encumbrance is created or exists at the time of the filing); it being understood that any of the foregoing in favor of, or assigned to, the Administrative Agent (for the benefit of the Secured Parties) shall not constitute an Adverse Claim.

“Advisors” has the meaning set forth in Section 14.06(c).

“Affected Financial Institution” means (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affected Person” means each Purchaser Party, each Program Support Provider, each Liquidity Agent and each of their respective Affiliates.

“Affiliate” means, as to any Person: (a) any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person or (b) who is a director or officer: (i) of such Person or (ii) of any Person described in clause (a), except that, in the case of each Conduit Purchaser, Affiliate shall mean the holder(s) of its Capital Stock. For purposes of this definition, control of a Person shall mean the power, direct or indirect: (x) to vote 25% or more of the securities having ordinary voting power for the election of directors or managers of such Person or (y) to direct or cause the direction of the management and policies of such Person, in either case whether by ownership of securities, contract, proxy or otherwise.

“Aggregate Capital” means, at any time of determination, the aggregate outstanding Capital of all Purchasers at such time.

“Aggregate Yield” means, at any time of determination, the aggregate accrued and unpaid Yield on the Aggregate Capital at such time.

“Agreement” has the meaning set forth in the preamble to this Agreement.

“Anti-Corruption Laws” means (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended; (b) the U.K. Bribery Act 2010, as amended; and (c) any other applicable Law relating to anti-bribery or anti-corruption in any jurisdiction in which any Seller-Related Party is located or doing business.

“Anti-Money Laundering Laws” means (a) the Bank Secrecy Act and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001; (b) the U.K. Proceeds of Crime Act 2002, the Money Laundering Regulations 2017, as amended and the Terrorist Asset-Freezing etc. Act 2010; and (c) any other applicable Law relating to anti-money laundering and countering the financing of terrorism in any jurisdiction in which any Seller-Related Party is located or doing business.

“Applicable Law” means, with respect to any Person, (x) all provisions of law, statute, treaty, constitution, ordinance, rule, regulation, ordinance, requirement, restriction, permit, executive order, certificate, decision, directive or order of any Governmental Authority applicable to such Person or any of its property and (y) all judgments, injunctions, orders, writs, decrees and awards of all courts and arbitrators in proceedings or actions in which such Person is a party or by which any of its property is bound. For the avoidance of doubt, FATCA shall constitute an “Applicable Law” for all purposes of this Agreement.

“Assignment and Acceptance Agreement” means an assignment and acceptance agreement entered into by a Committed Purchaser, an Eligible Assignee, such Committed Purchaser’s Group Agent and the Administrative Agent, and, if required, the Seller, pursuant to which such Eligible Assignee may become a party to this Agreement, in substantially the form of Exhibit C hereto.

“Assumption Agreement” has the meaning set forth in Section 14.03(i).

“Attorney Costs” means and includes all fees, costs, expenses and disbursements of any law firm or other external counsel and all disbursements of internal counsel.

“AUD” means the lawful money of the Commonwealth of Australia.

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

“Bail-In Legislation” means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bank Rate” for any Portion of Capital funded by any Purchaser on any day, means an interest rate per annum equal to (a) the applicable SOFR Rate with respect to such Purchaser for such Yield Period (or portion thereof); or (b) if the Base Rate is applicable to such Purchaser pursuant to Section 5.04, the Base Rate for such Purchaser on such day.

“Bankruptcy Code” means the United States Bankruptcy Reform Act of 1978 (11 U.S.C. § 101, *et seq.*), as amended from time to time.

“Base Rate” means, for any day and any Purchaser, a fluctuating interest rate per annum as shall be in effect from time to time, which rate shall be at all times equal to the greater of:

(a) the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent or its Affiliate as its “reference rate” or “prime rate”, as applicable (such “reference rate” or “prime rate” is set by the Administrative Agent or its Affiliate based upon various factors, including such Person’s 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, and is not necessarily the lowest rate charged to any customer); and

(b) 0.50% per annum above the latest Federal Funds Rate in effect on such day;

provided, however, if the Base Rate as determined above would be less than zero, then such rate shall be deemed to be zero.

“Beneficial Owner” means, for the Seller, each of the following: (a) each individual, if any, who, directly or indirectly, owns 25% or more of the Seller’s Capital Stock; and (b) a single individual with significant responsibility to control, manage or direct the Seller.

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

“Blocked Property” means any property: (a) owned, directly or indirectly, by a Sanctioned Person subject to U.S. blocking sanctions or an asset freeze under EU or U.K. sanctions; (b) due

to or from a Sanctioned Person subject to U.S. blocking sanctions or an asset freeze under EU or U.K. sanctions; (c) in which a Sanctioned Person subject to U.S. blocking sanctions or an asset freeze under EU or U.K. sanctions otherwise holds any interest; (d) located in a Sanctioned Jurisdiction; or (e) that otherwise could cause any actual or possible violation by any Purchaser Party of any applicable Sanctions if the Purchaser Parties were to obtain an encumbrance on, lien on, pledge of, or security interest in such property, or provide services in consideration of such property.

“Breakage Fee” means (i) for any Yield Period for which Yield is computed by reference to Daily 1M SOFR or the Term SOFR Rate and a reduction of Capital is made for any reason on any day other than the last day of the related Yield Period (or Tranche Period, if applicable) or (ii) to the extent that the Seller shall for any reason, fail to accept any Investment on the date specified by the Seller in connection with any request for funding pursuant to Article II of this Agreement, the amount, if any, by which (A) the additional Yield (calculated without taking into account any Breakage Fee or any shortened duration of such Yield Period (or Tranche Period, if applicable) pursuant to the definition thereof) which would have accrued during such Yield Period (or Tranche Period, if applicable) on the reductions of Capital relating to such Yield Period (or Tranche Period, if applicable) had such reductions not been made (or, in the case of clause (ii) above, on the amounts so failed to be accepted in connection with any such request for funding by the Seller), exceeds (B) the income, if any, received by the applicable Purchaser from the investment of the proceeds of such reductions of Capital (or such amounts failed to be accepted by the Seller). A certificate as to the amount of any Breakage Fee (including the computation of such amount) shall be submitted by the affected Purchaser (or the Administrative Agent on its behalf) to the Seller and shall be conclusive and binding for all purposes, absent manifest error.

“Business Day” means any day (other than a Saturday or Sunday) on which banks are not authorized or required to close in Dallas, Texas, Atlanta, Georgia, Pittsburgh, Pennsylvania, or New York City, New York, provided that, when used in connection with an amount that accrues Yield at a rate based on SOFR or any direct or indirect calculation or determination of SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.

“CAD” means the lawful money of Canada.

“CAD Exception Account” means account #4011812543 maintained in the name of Turner Broadcasting Systems Inc. at JPMorgan Chase Bank, National Association.

“Capital” means, with respect to any Purchaser, the aggregate amounts paid to, or on behalf of, the Seller in connection with all Investments made by such Purchaser pursuant to Article II, or acquired by such Purchaser pursuant to an Assignment and Acceptance Agreement, as reduced from time to time by Collections distributed and applied on account of reducing, returning or repaying such Capital pursuant to Section 2.02(d) or 4.01; *provided*, that if such Capital shall have been reduced by any distribution and thereafter all or a portion of such distribution is rescinded or must otherwise be returned for any reason, such Capital shall be increased by the amount of such rescinded or returned distribution as though it had not been made.

“Capital Coverage Amount” means, at any time of determination, the lesser of (i) the Facility Limit at such time and (ii) the amount equal to (a) the Net Receivables Pool Balance at such time, *minus* (b) the Total Reserves at such time, *plus* (c) the sum of (x) the principal amount of Permitted Investments on deposit in the Pledged Investment Account and (y) amounts on deposit in the Pledged Deposit Account.

“Capital Coverage Deficit” means, at any time of determination, the amount, if any, by which (a) the Aggregate Capital at such time, *exceeds* (b) the Capital Coverage Amount at such time.

“Capital Stock” means, with respect to any Person, any and all common shares, preferred shares, interests, participations, rights in or other equivalents (however designated) of such Person’s capital stock, partnership interests, limited liability company interests, membership interests or other equivalent interests and any rights (other than debt securities convertible into or exchangeable for capital stock), warrants or options exchangeable for or convertible into such capital stock or other equity interests.

“Certificate of Beneficial Ownership” means, for the Seller, a certificate in form and substance acceptable to the Administrative Agent (as amended or modified by the Administrative Agent from time to time in its sole discretion), certifying, among other things, the Beneficial Owner of the Seller.

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

(a) Performance Guarantor ceases to own, directly or indirectly, 100% of the issued and outstanding Capital Stock and all other equity interests of the Seller;

(b) Performance Guarantor ceases to own, directly or indirectly, 100% of the issued and outstanding Capital Stock, membership interests or other equity interests of Turner or any Originator;

(c) Turner ceases to directly own 100% of the issued and outstanding Capital Stock and all other equity interests of the Seller, free and clear of all Adverse Claims;

(d) any Subordinated Note shall at any time cease to be owned by an Originator, free and clear of all Adverse Claims; or

(e) subject to the following sentence, with respect to Performance Guarantor, any Person or two or more Persons acting in concert shall have acquired beneficial ownership (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of Voting Stock of the Performance Guarantor (or other securities convertible into such Voting Stock) representing more than 50% of the combined voting power of all Voting Stock of the Performance Guarantor.

Notwithstanding the foregoing, the acquisition of Discovery by Paramount Skydance Corporation pursuant to the transactions contemplated by the Merger Agreement

(including, for the avoidance of doubt, the Merger) will not constitute a Change in Control hereunder unless the covenant set forth in Section 8.05 fails to be satisfied by the time specified in Section 8.05.

“Change in Law” means the occurrence, after the Restatement Effective 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, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Closing Date” means March 27, 2019.

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

“Collection Account” means each “deposit account” within the meaning of the applicable UCC listed on Schedule II to this Agreement (as such schedule may be modified from time to time in connection with the closing or opening of any Collection Account in accordance with the terms hereof) and maintained at a bank or other financial institution acting as a Collection Account Bank for the purpose of receiving Collections and subject to an Account Control Agreement except with respect to (i) the CAD Exception Account (unless the CAD Exception Account becomes subject to an Account Control Agreement in accordance with Section 9.03) and (ii) any Excluded Collection Account.

“Collection Account Bank” means any of the banks or other financial institutions holding one or more Collection Accounts.

“Collections” means, with respect to any Pool Receivable: (a) all funds that are received by any Originator, the Seller, the Servicer or any other Person on their behalf in payment of any amounts owed in respect of such Pool Receivable (including purchase price, service charges, finance charges, interest, fees and all other charges), or applied to amounts owed in respect of such Pool Receivable (including insurance payments, proceeds of drawings under supporting letters of credit and net proceeds of the sale or other disposition of repossessed goods or other collateral or property of the related Obligor or any other Person directly or indirectly liable for the payment of such Pool Receivable and available to be applied thereon), (b) all Deemed Collections, (c) all proceeds of all Related Security with respect to such Pool Receivable, (d) all amounts paid by or on behalf of a Credit Insurer under a Credit Insurance Policy or in respect of any claim thereunder and (e) all other proceeds of such Pool Receivable.

“Commitment” means, with respect to any Committed Purchaser (including a Related Committed Purchaser), the maximum aggregate amount of Capital which such Person is obligated to pay hereunder on account of all Investments, on a combined basis, as set forth on Schedule I or in the Assumption Agreement or other agreement pursuant to which it became a Purchaser, as such amount may be modified in connection with any subsequent assignment pursuant to Section 14.03 or in connection with a reduction in the Facility Limit pursuant to Section 2.02(e) or an increase in the Facility Limit pursuant to Section 2.02(g). If the context so requires, “Commitment” also refers to a Committed Purchaser’s obligation to fund Investments hereunder in accordance with this Agreement.

“Committed Purchasers” means PNC and each other Person that is or becomes a party to this Agreement in the capacity of a “Committed Purchaser”.

“Compliance Authority” means (a) the United States government or any agency or political subdivision thereof, including, without limitation, the U.S. Department of State, the U.S. Department of Commerce, the U.S. Department of the Treasury and its Office of Foreign Assets Control, and the U.S. Customs and Border Protection agency; (b) the government of Canada or any agency thereof; (c) the European Union or any agency thereof; (d) the government of the United Kingdom or any agency thereof; and (e) the United Nations Security Council.

“Concentration Percentage” means, (a) except as provided in clause (b) below, (i) for any Group A Obligor, 20.0%, (ii) for any Group B Obligor, 15.0%, (iii) for any Group C Obligor, 10.0%, and (iv) for any Group D Obligor, 3.0% and (b) for each of the Obligors listed in the chart on Schedule VI hereto or which the Administrative Agent, with the approval of the Seller and the consent, or at the direction, of the Majority Group Agents from time to time designates in writing to the Seller and the Servicer as a Special Obligor (each, a *“Special Obligor”*), the percentage specified in the chart on Schedule VI for such Special Obligor (the applicable *“Special Concentration Limit”*); *provided, however*, that the Administrative Agent may, in its sole discretion, or will, (x) at the direction of the Majority Group Agents upon not less than thirty (30) days’ prior written notice to the Seller, (y) at any time that the Performance Guarantor credit rating for long-term, unsecured and unsubordinated indebtedness or deposit obligations is below BB by S&P or Ba2 by Moody’s or (z) at the direction of any Group Agent upon not less than ten (10) Business Days’ prior written notice to the Seller following a downgrade of the credit rating on the applicable Special Obligor’s (or its parent’s or majority owner’s, as applicable, if such Special Obligor is not rated) short-term or long-term senior unsecured and uncredit-enhanced debt securities by S&P or Moody’s, cancel or reduce the Special Concentration Limit with respect to any such Special Obligor, and in the case of a cancellation, the Concentration Percentage for such Special Obligor shall be determined pursuant to clause (a) above. In the event that any other Obligor is or becomes an Affiliate of a Special Obligor, the Special Concentration Limit shall apply to both such Obligor and such Special Obligor and shall be calculated as if such Obligor and such Special Obligor were a single Obligor.

“Concentration Reserve Percentage” means, at any time of determination, the largest of: (a) the sum of the five (5) largest Obligor Percentages of the Group D Obligors, (b) the sum of the three (3) largest Obligor Percentages of the Group C Obligors, (c) the sum of the two (2) largest Obligor Percentages of the Group B Obligors, and (d) the largest Obligor Percentage of the

Group A Obligor; *provided*, that, for purposes of determining the Concentration Reserve Percentage, each Obligor's Obligor Percentage shall be deemed to be the lesser of its Obligor Percentage and its Concentration Percentage at such time, *provided, however*, that, for purposes of determining the Concentration Reserve Percentage with respect to any Eligible Receivable that is an Insured Receivable, the "Obligor" thereof (including for purposes of determining such Obligor's Obligor Percentage and status as a Group A Obligor, Group B Obligor, Group C Obligor or Group D Obligor) shall be deemed to be the Credit Insurer.

"*Conduit Purchaser*" means each commercial paper conduit that is or becomes a party to this Agreement in the capacity of a "*Conduit Purchaser*".

"*Conforming Changes*" means, with respect to the Term SOFR Rate, Daily 1M SOFR or any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Tranche Period," the definition of "Yield Period," timing and frequency of determining rates and making payments of Yield, timing of Investment Requests or return, prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent reasonably decides (in consultation with the Seller) may be appropriate to reflect the adoption and implementation of the Term SOFR Rate, Daily 1M SOFR or such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent reasonably decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent reasonably determines that no market practice for the administration of the Term SOFR Rate, Daily 1M SOFR or the Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides (in consultation with the Seller) is reasonably necessary in connection with the administration of this Agreement and the other Transaction Documents).

"*Contract*" means, with respect to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes, insertions or other writings pursuant to which such Receivable arises or that evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable, *provided*, that notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

“*Covered Entity*” means (a) each Seller-Related Party and each of its Subsidiaries; (b) any Person who has pledged (or will pledge) Seller Collateral hereunder; and (c) each Person that, directly or indirectly, controls a Person described in clauses (a) or (b) above.

“*Credit and Collection Policy*” means, as the context may require, those receivables credit and collection policies and practices of the Originators in effect on the Restatement Effective Date.

“*Credit Insurance Policy*” means a credit insurance policy issued by a Credit Insurer to the Seller, which policy names the Seller as insured and insures the payment of Pool Receivables owing by an Insured Obligor.

“*Credit Insurer*” means the issuer of a Credit Insurance Policy.

“*Daily 1M SOFR*” means, for any day, the rate per annum equal to the Term SOFR Reference Rate for such day for a one (1) month period, as published by the Term SOFR Administrator; provided, that if Daily 1M SOFR, determined as provided above, would be less than the SOFR Floor, then Daily 1M SOFR shall be deemed to be the SOFR Floor. The rate of interest will be adjusted automatically as of each Business Day based on changes in Daily 1M SOFR without notice to the Seller.

“*Days’ Sales Outstanding*” means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to: (a) the average of the Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) as of the last day of each of the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (b) an amount equal to (i) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (ii) 90.

“*Debt*” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments and (c) all guarantees by such Person of Debt of others.

“*Deemed Collections*” has the meaning set forth in Section 4.01(d).

“*Default Ratio*” means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by *dividing*: (a) the aggregate Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) that became Defaulted Receivables during such Fiscal Month, *by* (b) the sum of (x) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables and Discovery Receivables) generated by all Originators during the month that is five (5) Fiscal Months before such Fiscal Month (or such lesser amount of Fiscal Months as may be approved in writing by the Seller and the Administrative Agent with respect to all Pool Receivables generated by any specific Originator subject to the parenthetical appearing in clause (a) of the defined term “*Defaulted Receivable*”) and (y) the aggregate initial Outstanding Balance of all Pool Receivables that are Discovery Receivables (other than Unbilled Receivables) generated by all

Originators during the month that is seven (7) Fiscal Months before such Fiscal Month (or such lesser amount of Fiscal Months as may be approved in writing by the Seller and the Administrative Agent with respect to all Pool Receivables generated by any specific Originator subject to the parenthetical appearing in clause (a) of the defined term “*Defaulted Receivable*”); *provided, however*, that Receivables originated by HBO Originators the Obligor of which was Spectrum Management Holding Company, Comcast Cable Communications, Inc., Comcast Cable Communications, LLC or Comcast Cable Communications Holdings, Inc. that (i) became Defaulted Receivables during October 2023 and (ii) for which Discovery had already received payment but such payment was accounted for as unapplied cash in October 2023 shall be excluded from clause (a) above.

“*Defaulted Receivable*” means, without duplication, a Receivable:

(a) as to which any payment, or part thereof, remains unpaid for (x) with respect to all Receivables other than Discovery Receivables, 121 days or more from the original due date for such payment or 151 days or more after the original invoice date for such payment (or such lesser amount of days as may be approved in writing by the Seller and the Administrative Agent (with notice of such approval delivered to the Group Agents) with respect to any Receivables originated by any specific Originator), or (y) with respect to Discovery Receivables, 211 days or more after the original invoice date for such payment (or such lesser amount of days as may be approved in writing by the Seller and the Administrative Agent (with notice of such approval delivered to the Group Agents) with respect to any Receivables originated by any specific Originator);

(b) as to which an Insolvency Proceeding shall have occurred with respect to the Obligor thereof or any other Person obligated thereon or owning any Related Security with respect thereto; or

(c) that has been written off in the applicable Originator’s or the Seller’s books as uncollectible consistent with the Credit and Collection Policy;

provided, however, that in each case above such amount shall be calculated without giving effect to any netting of credits that have not been matched to a particular Receivable for the purposes of aged trial balance reporting. Notwithstanding anything to the contrary herein, any Receivables the Obligor of which is Dish Network L.L.C., shall not constitute Defaulted Receivables hereunder as a result of the application of clause (b) of this definition to the extent such Receivables would constitute Defaulted Receivables due to the Insolvency Proceeding of DISH DBS Corporation solely resulting from the voluntary bankruptcy filing by DISH DBS Corporation on June 30, 2026, including any case, action and proceeding directly related to such filing, *provided, however*, that the Majority Group Agents may revoke the provisions of this sentence in their sole discretion upon 10 Business Days’ prior written notice to the Seller at which point Receivables owing by Dish Network L.L.C. would constitute Defaulted Receivables hereunder if such Insolvency Proceeding is continuing. The foregoing exclusion in the previous sentence shall only apply to the voluntary bankruptcy filing by DISH DBS Corporation on June 30, 2026 and any case, action and proceeding directly related to such filing, and not to any future unrelated Insolvency Proceedings or any other

unrelated event or condition that would cause such Receivables to constitute Defaulted Receivables hereunder.

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

“Delinquency Ratio” means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by dividing: (a) the aggregate Outstanding Balance of all Pool Receivables that were Delinquent Receivables on such day by (b) the aggregate Outstanding Balance of all Pool Receivables on such day.

“Delinquent Receivable” means a Receivable as to which any payment, or part thereof, remains unpaid for 121 days or more from the original due date for such payment or 151 days or more after the original invoice date for such payment.

“Dilution Horizon Ratio” means, for any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of such Fiscal Month by *dividing*: (a) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the 1.5 most recent consecutive Fiscal Months, *by* (b) the aggregate Outstanding Balance of all Pool Receivables as of the last day of such Fiscal Month. Within thirty (30) days of the completion and the receipt by the Administrative Agent of the results of any annual audit or field exam of the Receivables and the servicing and origination practices of the Servicer and the Originators, the numerator of the Dilution Horizon Ratio may be adjusted by the Administrative Agent upon not less than five (5) Business Days’ notice to the Seller to reflect such number of Fiscal Months as the Administrative Agent reasonably believes best reflects the business practices of the Servicer and the Originators and the actual amount of dilution and Deemed Collections that occur with

respect to Pool Receivables based on the weighted average dilution lag calculation completed as part of such audit or field exam.

“Dilution Ratio” means, for any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward), computed as of the last day of each Fiscal Month by *dividing*: (a) the aggregate amount of Deemed Collections during such Fiscal Month, *by* (b) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is one (1) month prior to such Fiscal Month.

“Dilution Reserve Percentage” means, at any time of determination, the product (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of (a) the sum of (i) the product of (A) the Stress Factor *multiplied by* (B) the average of the Dilution Ratios for the twelve (12) most recent Fiscal Months *plus* (ii) the Dilution Volatility Component, *multiplied by* (b) the Dilution Horizon Ratio.

“Dilution Volatility Component” means, for any Fiscal Month, the product (expressed as a percentage) and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of:

(a) the positive difference, if any, between: (i) the highest Dilution Ratio during the twelve (12) most recent consecutive Fiscal Months and (ii) the arithmetic average of the Dilution Ratios for such twelve (12) consecutive Fiscal Months; *multiplied by*

(b) the quotient of (i) the highest Dilution Ratio during the twelve (12) most recent consecutive Fiscal Months *divided by* (ii) the arithmetic average of the Dilution Ratios for such twelve (12) consecutive Fiscal Months.

“Discovery” means Warner Bros. Discovery, Inc. (f/k/a Discovery, Inc.), a Delaware corporation.

“Discovery Receivable” means, without duplication, a Receivable with respect to which the applicable Originator is Discovery.com LLC, Discovery Digital Ventures LLC, Discovery Wings, LLC, Discovery Times Channel, LLC, Discovery Communications, LLC, Animal Planet, LP, Discovery Health Ventures LLC, Cooking Channel, LLC, The Travel Channel, LLC, Television Food Network GP, Scripps Networks, LLC, or Discovery Licensing, Inc. (collectively, the *“Discovery Originators”*) For the avoidance of doubt, any ad sales Receivables of a Turner Originator that are billed by any of the Discovery Originators shall represent a Discovery Receivable.

“Dollar Equivalent” means, on any date on which a determination thereof is to be made, with respect to (a) any amount denominated in Dollars, such amount and (b) any amount denominated in a Foreign Currency, the Dollar equivalent of such amount of such Foreign Currency determined by referenced to the Spot Rate determined as of such determination date.

“Dollars” and *“\$”* each mean the lawful currency of the United States of America.

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

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

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

“Eligible Assignee” means (i) any Committed Purchaser or any of its Affiliates, (ii) any Person managed by a Committed Purchaser or any of its Affiliates and (iii) any other financial or other institution.

“Eligible Credit Insurance” means a Credit Insurance Policy issued by an Eligible Credit Insurance Provider which (i) has been approved in writing by the Administrative Agent and each Purchaser in its respective sole discretion, (ii) is in full force and effect, (iii) names the Administrative Agent as an additional insured, loss-payee or bank-beneficiary (as the case may be) entitled to make, and receive payment of, insurance claims thereunder, (iv) contains terms and endorsements permitting the transactions contemplated by the Transaction Documents (including with respect to the Pool Receivables insured thereby and the Seller, the Originators, the Servicer, the Performance Guarantor and any other Affiliate thereof that is from time to time a party to any Transaction Document and the Purchaser Parties), (v) with respect to which, all due and payable premiums under the Credit Insurance Policy have been paid in full and (vi) with respect to which the Eligible Credit Insurance Provider (A) is not the subject of an Insolvency Proceeding and (B) has not failed to make any required payments under the Credit Insurance Policy pursuant to the terms thereof. For the avoidance of doubt, if the Credit Insurer of such a Credit Insurance Policy ceases to be an Eligible Credit Insurance Provider, such policy shall cease to constitute Eligible Credit Insurance.

“Eligible Credit Insurance Provider” means an insurance company in the business of issuing commercial credit insurance (a) which company is not an Affiliate of any of the Seller, the Originators, the Servicer, the Performance Guarantor or any other Affiliate thereof and (b) with respect to which, it has not had any credit rating assigned by any of Moody’s, S&P or A.M. Best Company, Inc. to it reduced by two or more ratings “notches” since the time the Credit Insurance Policy written by such Credit Insurer became Eligible Credit Insurance hereunder; provided, that, with respect to the Credit Insurance Policy issued by multiple insurance providers, the Administrative Agent may elect (in its sole discretion) to treat such syndicate as a single insurer and apply a weighted average credit rating.

“Eligible Foreign Currency” means AUD, CAD, EUR, GBP, NZD and SEK.

“Eligible Foreign Currency VaR Percentage” means 6.0%, or such other percentage designated by all Group Agents from time to time upon ten (10) Business Days’ notice.

“Eligible Foreign Obligor” means an Obligor that is organized in or that has a head office (domicile), registered office, and chief executive office located in a country that is not the United States or a country or territory that is, or whose government is, a Sanctioned Jurisdiction.

“Eligible Receivable” means, at any time of determination, a Receivable:

(a) the Obligor of which is: (i) either a U.S. Obligor or an Eligible Foreign Obligor; (ii) not a Sanctioned Person; (iii) not a consolidated Affiliate of the Seller, the Servicer, the Parent or any Originator; (iv) not a natural person; and (v) not the Obligor with respect to which more than 50% of the aggregate Outstanding Balance of all of such Obligor’s Pool Receivables consist of Defaulted Receivables or Delinquent Receivables;

(b) that is neither a Defaulted Receivable (other than with respect to clause (a) of such definition) nor a Delinquent Receivable;

(c) that is denominated and payable only in Dollars or an Eligible Foreign Currency and the Obligor with respect to which has been instructed to remit Collections in respect thereof directly to a Lock-Box or Collection Account in the United States of America or Canada;

(d) that does not have a due date which is more than 90 days after the original invoice date of such Receivable;

(e) that (i) arises under a Contract for the sale or licensing of goods or services entered into on an arm’s length basis in the ordinary course of the applicable Originator’s business and (ii) does not constitute a loan or other similar financial accommodation being provided by the applicable Originator;

(f) that arises under a duly authorized Contract that (i) is in full force and effect, and (ii) is a legal, valid and binding obligation of the related Obligor, enforceable against such Obligor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors’ rights generally and by general principles of equity regardless of whether enforceability is considered in a proceeding in equity or at law;

(g) that has been transferred by an Originator to the Seller pursuant to the Purchase and Sale Agreement with respect to which transfer all conditions precedent under the Purchase and Sale Agreement have been met or explicitly waived in writing by the Administrative Agent;

(h) that, together with the Contract related thereto, conforms in all material respects with all Applicable Laws (including any applicable laws relating to usury, truth in

lending, fair credit billing, fair credit reporting, equal credit opportunity, fair debt collection practices and privacy);

(i) with respect to which all consents, licenses, approvals or authorizations of, or registrations or declarations with or notices to, any Governmental Authority or other Person required to be obtained, effected or given by an Originator in connection with the creation of such Receivable, the execution, delivery and performance by such Originator of the related Contract or the assignment thereof under the Purchase and Sale Agreement have been duly obtained, effected or given and are in full force and effect;

(j) that is not subject to any existing dispute, litigation, right of rescission, set-off, counterclaim, any other defense against the applicable Originator (or any assignee of such Originator), or Adverse Claim other than Permitted Liens, and the Obligor of which holds no right as against the applicable Originator to cause such Originator to repurchase the goods or merchandise, the sale of which shall have given rise to such Receivable, it being understood that a Receivable shall not be ineligible under this clause (j) solely because the related Contract contains a contractual right of set-off of the Obligor;

(k) that satisfies all applicable requirements of the Credit and Collection Policy;

(l) that, together with the Contract related thereto, has not been modified, waived or restructured since its creation, except as permitted pursuant to Section 9.02 of this Agreement;

(m) in which the Seller owns good and marketable title, free and clear of any Adverse Claims other than Permitted Liens, and that is freely assignable (including without any consent of the related Obligor or any Governmental Authority), and the payments thereon are free and clear of any, or increased to account for any applicable, withholding Taxes;

(n) for which the Administrative Agent (on behalf of the Secured Parties) shall have a valid and enforceable first priority perfected ownership or security interest therein and in the Related Security (other than with respect to the CAD Exception Account (unless the CAD Exception Account becomes subject to an Account Control Agreement in accordance with Section 9.03), each Excluded Collection Account) and Collections with respect thereto, in each case free and clear of any Adverse Claim other than Permitted Liens;

(o) that (x) constitutes an “account” or “general intangible” (as defined in the UCC), (y) is not evidenced by instruments or chattel paper and (z) does not constitute, or arise from the sale of, as-extracted collateral (as defined in the UCC);

(p) with respect to which there are no unapplied payments that have been excluded from the Seller’s accounts receivable aging reports but that remains unapplied as of the end of the month in which such payments were received;

(q) for which none of any Originator, the Seller, the Parent, the Performance Guarantor or the Servicer has established any offset or netting arrangements with the related Obligor in connection with the ordinary course of payment of such Receivable, it being understood that a Receivable shall not be ineligible under this clause (q) solely because the related Contract contains a contractual right of set-off of the Obligor;

(r) that represents amounts earned and payable by the Obligor that are not subject to the performance of additional services by the Originator thereof or by the Seller and such Receivable shall have been billed or invoiced and the related goods or merchandise shall have been shipped and/or services performed, other than, in the case of an Eligible Unbilled Receivable, the billing or invoicing of such Receivable; *provided*, that if such Receivable is subject to the performance of additional services, only the portion of such Receivable attributable to such additional services shall be ineligible; *provided, further* that any Receivable that arises under a Contract for the licensing of goods or services;

(s) which (i) does not arise from a sale of accounts made as part of a sale of a business or constitute an assignment for the purpose of collection only, (ii) is not a transfer of a single account made in whole or partial satisfaction of a preexisting indebtedness or an assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract and (iii) is not a transfer of an interest in or an assignment of a claim under a policy of insurance;

(t) which does not relate to the sale of any consigned goods or finished goods which have incorporated any consigned goods into such finished goods;

(u) for which the related Originator has recognized the related revenue on its financial books and records in accordance with GAAP;

(v) for which neither the related Originator, nor any Affiliate thereof is holding any deposits, retainers or other advance payments received by or on behalf of the related Obligor; *provided* that only the portion of such Pool Receivable in an amount equal to such deposits shall be ineligible;

(w) that, if such Receivable is an Unbilled Receivable, is an Eligible Unbilled Receivable;

(x) is not an Excluded Receivable; and

(y) that is not subject to any future withholding tax to a U.S. person; *provided* that to the extent such Pool Receivable is subject to any future withholding tax to a U.S. person, only a portion of such Pool Receivable that is an amount equal to such future withholding tax shall be ineligible.

“Eligible Unbilled Receivable” means, at any time, any Unbilled Receivable if the related Originator has recognized the related revenue on its financial books and records under GAAP.

“*ERISA*” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated, and rulings issued thereunder.

“*ERISA Affiliate*” means any Person that for purposes of Title IV of ERISA is a member of the Parent’s controlled group, or under common control with the Parent, within the meaning of Section 414 of the Code.

“*Erroneous Payment*” has the meaning assigned to it in Section 11.11(a).

“*Erroneous Payment Notice*” has the meaning assigned to it in Section 11.11(a).

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

“*EU Securitisation Regulation*” means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 as supplemented by any applicable regulatory technical standards or implementing technical standards from time to time (including any technical standards applicable pursuant to transitional provisions).

“*EU Securitisation Rules*” means (i) the EU Securitisation Regulation, (ii) to the extent informing the interpretation of the EU Securitisation Regulation, any official guidance published in relation thereto by the European Banking Authority, the European Central Bank, the European Securities and Markets Authority, the European Commission or the European Council (or in each case any predecessor or replacement organization) or any other relevant competent authority (for the purposes of the EU Securitisation Regulation) in the European Union and (iii) any implementing laws or regulations in force in any Member State of the European Union or the European Economic Area.

“*Euro*” means the unit of single currency of the Participating Member States.

“*Euro-Rate Reserve Percentage*” means, the maximum effective percentage in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including without limitation, supplemental, marginal, and emergency reserve requirements) with respect to eurocurrency funding (currently referred to as “*Eurocurrency Liabilities*”).

“*Event of Termination*” has the meaning specified in Section 10.01. For the avoidance of doubt, any Event of Termination that occurs shall be deemed to be continuing at all times thereafter unless and until waived in accordance with Section 14.01.

“*Excess Concentration*” means, as of any date of determination, the sum of the following amounts, without duplication:

- (a) the sum of the amounts calculated for each of the Obligors equal to the excess (if any) of (i) the aggregate Outstanding Balance of the Eligible Receivables of such Obligor, over (ii) the product of (x) such Obligor’s applicable Concentration Percentage,

multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; plus

(b) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligor of which is an Eligible Foreign Obligor that is a resident of a country that maintains a sovereign debt rating of greater than (A) “BB+” by S&P and (B) “Ba1” by Moody’s, *over* (ii) the product of (x) 20.0%, *multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; plus*

(c) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligor of which is an Eligible Foreign Obligor that is a resident of a country that maintains a sovereign debt rating less than or equal to (A) “BB+” by S&P or (B) “Ba1” by Moody’s, *over* (ii) the product of (x) 5.0%, *multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; plus*

(d) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are denominated in an Eligible Foreign Currency, *over* (ii) the product of (x) 10.0%, *multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; plus*

(e) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables, the Obligors of which are Governmental Authorities, *over* (ii) the product of (x) 2.0%, *multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; plus*

(f) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Eligible Unbilled Receivables which have an expected billing date of 365 days or less, *over* (ii) the product of (x) 40.0%, *multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; plus*

(g) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Eligible Unbilled Receivables which have an expected billing date of greater than 365 days but less than or equal to 730 days, *over* (ii) the product of (x) 20.0%, *multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; plus*

(h) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables that are Eligible Unbilled Receivables which have an expected billing date of greater than 730 days, *over* (ii) the product of (x) 0.0%, *multiplied by (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool; plus*

(i) the excess (if any) of (i) the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for either (A) one day or more but less than 31 days past the original due date for such payment or (B) more than 30 days but less than 61 days after the original invoice date for such payment, *over* (ii) the product of (x) 67.5%, *multiplied by (y) aggregate initial Outstanding Balance of all*

Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is one (1) Fiscal Month before the then-current Fiscal Month as of such date of determination; *plus*

(j) the excess (if any) of (i) the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for either (A) more than 30 days but less than 61 days past the original due date for such payment or (B) more than 60 days but less than 91 days after the original invoice date for such payment, *over* (ii) the product of (x) 30.0%, *multiplied by* (y) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is two (2) Fiscal Months before the then-current Fiscal Month as of such date of determination; *plus*

(k) the excess (if any) of (i) the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for either (A) more than 60 days but less than 91 days past the original due date for such payment or (B) more than 90 days but less than 121 days after the original invoice date for such payment, *over* (ii) the product of (x) 15.0%, *multiplied by* (y) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is three (3) Fiscal Months before the then-current Fiscal Month as of such date of determination; *plus*

(l) the excess (if any) of (i) the aggregate Outstanding Balance of all Pool Receivables as to which any payment, or part thereof, remains unpaid for either (A) more than 90 days but less than 121 days past the original due date for such payment or (B) more than 120 days but less than 151 days after the original invoice date for such payment, *over* (ii) the product of (x) 7.5%, *multiplied by* (y) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the Fiscal Month that is four (4) Fiscal Months before the then-current Fiscal Month as of such date of determination; *plus*

(m) the excess (if any) of (i) the aggregate Outstanding Balance of all Eligible Receivables as to which the Obligors of such Eligible Receivables are instructed to remit Collections related thereto into an Excluded Collection Account during the most recently ended Fiscal Month *over* (ii) the product of (x) 2.5%, *multiplied by* (y) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended or otherwise modified from time to time.

“*Excluded Collection Account*” means each “deposit account” within the meaning of the applicable UCC that (i) receives Collections on Pool Receivables only if such Pool Receivable is a GDS Receivable, and (ii) is listed on Schedule II to this Agreement (as such schedule may be modified from time to time in connection with the closing or opening of any Collection Account in accordance with the terms hereof) and identified as an Excluded Collection Account.

“Excluded Collection Account Owner” means GDS.

“Excluded GDS Receivable” means each receivable generated by GDS related to the distribution of HBOMax outside the United States and its territories and possessions.

“Excluded HBO Receivable” means each receivable generated by an HBO Originator under a Contract related to (1) historic pay-per-view sports events; (2) retail and/or merchandise licensing transactions; or (3) rental or other use of Home Box Office, Inc.’s studio facilities.

“Excluded Receivable” means each receivable (a) the Obligor of which is the Parent, any of its Affiliates or any joint venture that is partially owned or controlled by the Parent or any of its consolidated Affiliates; provided, for the purposes of this clause (a), “control” of a joint venture means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such joint venture, whether through the ownership of voting securities, by contract or otherwise; (b) that is an Excluded HBO Receivable; (c) that is an Excluded Turner Receivable; or (d) that is an Excluded GDS Receivable.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to an Affected Person or required to be withheld or deducted from a payment to an Affected Person: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case, (i) imposed as a result of such Affected Person being organized under the laws of, or having its principal office or, in the case of any Purchaser, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Purchaser, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Purchaser with respect to an applicable interest in its Capital or Commitment pursuant to a law in effect on the date on which (i) such Purchaser funds an Investment or its Commitment or (ii) such Purchaser changes its lending office, except in each case to the extent that amounts with respect to such Taxes were payable either to such Purchaser’s assignor immediately before such Purchaser became a party hereto or to such Purchaser immediately before it changed its lending office, (c) any withholding Taxes imposed pursuant to FATCA and (d) Taxes attributable to such Affected Person’s failure to comply with Section 5.03(f), (g) or (i).

“Excluded Turner Receivable” means each receivable generated by a Turner Originator under a Contract related to (1) owned programming television syndication; (2) the license of such Turner Originator’s owned programming brands and characters (or brands/businesses such Turner Originator manages for other companies) for consumer products and other business ventures; (3) subscription video on demand; (4) home video, DVD, and electronic sell-through; (5) festival tickets; or (6) streaming.

“Existing Receivables Purchase Agreement” has the meaning set forth in the preliminary statements to this Agreement.

“Facility Limit” means \$4,000,000,000 as reduced from time to time pursuant to Section 2.02(e) or increased from time to time pursuant to Section 2.02(g). References to the

unused portion of the Facility Limit shall mean, at any time of determination, an amount equal to (x) the Facility Limit at such time, *minus* (y) the Aggregate Capital at such time.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code, any applicable intergovernmental agreement entered into between the United States and any other Governmental Authority in connection with the implementation of the foregoing and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any such intergovernmental agreement.

"Federal Funds Rate" means, for any day, the per annum rate set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Federal Reserve Board (including any such successor, *"H.15(519)"*) for such day opposite the caption "Federal Funds (Effective)." If on any relevant day such rate is not yet published in H. 15(519), the rate for such day will be the rate set forth in the daily statistical release designated as the Composite 3:30 p.m. Quotations for U.S. Government Securities, or any successor publication, published by the Federal Reserve Bank of New York (including any such successor, the *"Composite 3:30 p.m. Quotations"*) for such day under the caption "Federal Funds Effective Rate." If on any relevant day the appropriate rate is not yet published in either H.15(519) or the Composite 3:30 p.m. Quotations, the rate for such day will be the arithmetic mean as determined by the Administrative Agent of the rates for the last transaction in overnight Federal funds arranged before 9:00 a.m. (New York City time) on that day by each of three leading brokers of Federal funds transactions in New York City selected by the Administrative Agent.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System, or any entity succeeding to any of its principal functions.

"Fee Letter" has the meaning set forth in Section 2.03(a).

"Fees" has the meaning specified in Section 2.03(a).

"Final Payout Date" means the date on or after the Termination Date when (i) the Aggregate Capital has been reduced to zero and the Aggregate Yield has been paid in full, (ii) all other Seller Obligations have been paid in full (other than unasserted or contingent indemnification claims), (iii) all other amounts owing to the Purchaser Parties and any other Seller Indemnified Party or Affected Person hereunder and under the other Transaction Documents have been paid in full other than unasserted or contingent indemnification claims) and (iv) all accrued Servicing Fees have been paid in full.

"Financial Officer" of any Person means the chief executive officer, the chief financial officer, the chief accounting officer, the principal accounting officer, the controller, the treasurer or the assistant treasurer of such Person.

"Fiscal Month" means each calendar month.

“*Fitch*” means Fitch, Inc. and any successor thereto that is a nationally recognized statistical rating organization.

“*Foreign Currency*” means the lawful currency of any other country or territory other than the United States.

“*Fourth Amendment Effective Date*” means June 12, 2026.

“*FX Reserve*” means, as of any date of determination, an amount equal to (i) the product of (a) the Dollar Equivalent of the aggregate outstanding balance of all Eligible Receivables denominated in an Eligible Foreign Currency at such time, *times* (b) the Eligible Foreign Currency VaR Percentage at such time *divided by* (ii) the Net Receivables Pool Balance at such time.

“*GAAP*” means generally accepted accounting principles in the United States of America, consistently applied.

“*GBP*” means the lawful money of the United Kingdom.

“*GDS*” means WarnerMedia Global Digital Services, LLC, a Delaware limited liability company.

“*GDS Assignment Agreement*” means that certain Receivables Assignment Agreement dated as of March 15, 2021, between GDS and WarnerMedia Direct, LLC, a Delaware limited liability company.

“*GDS Receivable*” means a Receivable originated by GDS that has been assigned to WarnerMedia Direct, LLC, a Delaware limited liability company, pursuant to the GDS Assignment Agreement.

“*Government Official*” means any officer, employee, official, representative, or any Person acting for or on behalf of any Official Body, government-owned or government-controlled association, organization, business, or enterprise, or public international organization, any political party or official thereof and any candidate for political office.

“*Governmental Authority*” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state, provincial, territorial 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).

“*Group*” means, (i) for any Conduit Purchaser, such Conduit Purchaser, together with such Conduit Purchaser’s Related Committed Purchasers and related Group Agent, (ii) for PNC, PNC as a Committed Purchaser and as a Group Agent, and (iii) for any other Purchaser that does not have a related Conduit Purchaser, such Purchaser, together with such Purchaser’s related Group Agent and each other Purchaser for which such Group Agent acts as a Group Agent hereunder.

“Group A Obligor” means any Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) with a short-term rating of at least: (a) “A-1” by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of “A+” or better by S&P on such Obligor’s, its parent’s, or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, and (b) “P-1” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “A1” or better by Moody’s on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; *provided, however*, if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by only one of such rating agencies, then such Obligor will be a “Group A Obligor” if it satisfies either clause (a) or clause (b) above; *provided, further*, that if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) receives a split rating from S&P and Moody’s and satisfies only one of clause (a) or clause (b) above, then such Obligor shall be deemed to have satisfied each of clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of “Group A Obligor” shall be deemed to be a Group A Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the “Concentration Reserve Percentage”, the “Concentration Reserve” and clause (i) of the definition of “Excess Concentration” for such Obligors, unless such deemed Obligor separately satisfies the definition of “Group A Obligor”, “Group B Obligor”, or “Group C Obligor”, in which case such Obligor shall be separately treated as a Group A Obligor, a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors and (ii) any Obligor that is a Special Obligor that satisfies the definition of “Group A Obligor” shall be deemed to be a Group A Obligor solely for the purposes of determining the “Concentration Reserve Percentage”.

“Group Agent” means each Person acting as agent on behalf of a Group and designated as the Group Agent for such Group on the signature pages to this Agreement or any other Person who becomes a party to this Agreement as a Group Agent for any Group pursuant to an Assumption Agreement, an Assignment and Acceptance Agreement or otherwise in accordance with this Agreement.

“Group Agent’s Account” means, with respect to any Group, the account(s) from time to time designated in writing by the applicable Group Agent to the Seller and the Servicer for purposes of receiving payments to or for the account of the members of such Group hereunder.

“Group B Obligor” means an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) that is not a Group A Obligor, with a short-term rating of at least: (a) “A-2” by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of “BBB+” to “A” by S&P on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, and (b) “P-2” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “Baal” to “A2” by Moody’s on such Obligor’s, its parent’s or its majority owner’s (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; *provided, however*, if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by only one of such rating agencies, then such Obligor will be a “Group B Obligor” if it satisfies either clause (a) or clause (b) above; *provided, further*, that if such Obligor (or its parent or majority owner, as applicable, if such

Obligor is not rated) receives a split rating from S&P and Moody's and satisfies only one of clause (a) or clause (b) above, then such Obligor shall be deemed to have satisfied each of clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of "Group B Obligor" shall be deemed to be a Group B Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the "Concentration Reserve Percentage", the "Concentration Reserve" and clause (i) of the definition of "Excess Concentration" for such Obligors, unless such deemed Obligor separately satisfies the definition of "Group A Obligor", "Group B Obligor", or "Group C Obligor", in which case such Obligor shall be separately treated as a Group A Obligor, a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors and (ii) any Obligor that is a Special Obligor that satisfies the definition of "Group B Obligor" shall be deemed to be a Group B Obligor solely for the purposes of determining the "Concentration Reserve Percentage".

"Group C Obligor" means an Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) that is not a Group A Obligor or a Group B Obligor, with a short-term rating of at least: (a) "A-3" by S&P, or if such Obligor does not have a short-term rating from S&P, a rating of "BBB-" to "BBB" by S&P on such Obligor's, its parent's or its majority owner's (as applicable) long-term senior unsecured and uncredit-enhanced debt securities, and (b) "P-3" by Moody's, or if such Obligor does not have a short-term rating from Moody's, "Baa3" to "Baa2" by Moody's on such Obligor's, its parent's or its majority owner's (as applicable) long-term senior unsecured and uncredit-enhanced debt securities; *provided, however*, if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) is rated by only one of such rating agencies, then such Obligor will be a "Group C Obligor" if it satisfies either clause (a) or clause (b) above; *provided, further*, that if such Obligor (or its parent or majority owner, as applicable, if such Obligor is not rated) receives a split rating from S&P and Moody's and satisfies only one of clause (a) or clause (b) above, then such Obligor shall be deemed to have satisfied each of clause (a) or clause (b) above. Notwithstanding the foregoing, (i) any Obligor that is a Subsidiary of an Obligor that satisfies the definition of "Group C Obligor" shall be deemed to be a Group C Obligor and shall be aggregated with the Obligor that satisfies such definition for the purposes of determining the "Concentration Reserve Percentage", the "Concentration Reserve" and clause (i) of the definition of "Excess Concentration" for such Obligors, unless such deemed Obligor separately satisfies the definition of "Group A Obligor", "Group B Obligor", or "Group C Obligor", in which case such Obligor shall be separately treated as a Group A Obligor, a Group B Obligor or a Group C Obligor, as the case may be, and shall be aggregated and combined for such purposes with any of its Subsidiaries that are Obligors and (ii) any Obligor that is a Special Obligor that satisfies the definition of "Group C Obligor" shall be deemed to be a Group C Obligor solely for the purposes of determining the "Concentration Reserve Percentage".

"Group Commitment" means, with respect to any Group, at any time of determination, the aggregate Commitments of all Committed Purchasers within such Group.

"Group D Obligor" means any Obligor that is not a Group A Obligor, Group B Obligor or Group C Obligor; *provided*, that (i) any Obligor (or its parent or majority owner, as applicable, if such Obligor is unrated) that is not rated by both Moody's and S&P shall be a Group D Obligor and (ii) any Obligor that is a Special Obligor that satisfies the definition of "Group D Obligor"

shall be deemed to be a Group D Obligor solely for the purposes of determining the “Concentration Reserve Percentage”.

“*Guaranteed Obligations*” has the meaning set forth in Section 3.01.

“*HBO Originator*” means each of Home Box Office, Inc., HBO Digital Services, Inc. and HBO Home Entertainment, Inc.

“*Indemnified Taxes*” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Seller or any of its Affiliates under any Transaction Document and (b) to the extent not otherwise described in clause (a) above, Other Taxes.

“*Independent Director*” has the meaning set forth in Section 8.03(c).

“*Information Package*” means a report, in substantially the form of Exhibit G.

“*Initial Investment Date*” means March 27, 2019.

“*Initial Schedule of Sold Receivables*” means the list identifying all Sold Receivables as of the Initial Investment Date, which list is attached as Schedule IV hereto.

“*Insolvency Proceeding*” means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors or (b) any general assignment for the benefit of creditors of a Person, composition, marshaling of assets for creditors of a Person, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in each of clauses (a) and (b) undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code.

“*Insured Obligor*” means any Obligor the Pool Receivables of which are insured by a Credit Insurance Policy.

“*Insured Receivable*” means each Receivable of an Insured Obligor for which the Outstanding Balance (when aggregated with each other Receivable owing by such Insured Obligor that was originated prior to such Receivable) is equal to or less than the then-effective maximum amount available for payments established for such Insured Obligor for all claims relating to the Insured Obligor during the related policy period under and pursuant to Eligible Credit Insurance; provided, that no Receivable shall constitute an Insured Receivable at any time the related Credit Insurance Policy shall cease to constitute Eligible Credit Insurance.

“*Intended Tax Treatment*” has the meaning set forth in Section 14.14.

“*International Trade Laws*” means all Laws relating to economic and financial sanctions, trade embargoes, export controls, customs and anti-boycott measures.

“Investment” means any funding of Capital to the Seller by a Purchaser pursuant to Sections 2.01(a), 2.02 or 2.06.

“Investment Company Act” means the Investment Company Act of 1940, as amended or otherwise modified from time to time.

“Investment Request” means a letter in substantially the form of Exhibit A hereto executed and delivered by the Seller to the Administrative Agent and the Group Agents pursuant to Section 2.02(a).

“Law” means any law(s) (including common law), constitution, statute, treaty, regulation, rule, ordinance, opinion, release, ruling, order, executive order, injunction, writ, decree, bond, judgment, authorization or approval, lien or award, or any settlement arrangement, by agreement, consent or otherwise, of any Official Body, foreign or domestic.

“LCR Security” means any commercial paper or security (other than equity securities issued to Parent or any Originator that is a consolidated subsidiary of Parent, under GAAP) within the meaning of Paragraph __.32(e)(viii) of the final rules titled Liquidity Coverage Ratio; Liquidity Risk Measurement Standards, 79 Fed. Reg. 197, 61440 et seq. (October 10, 2014).

“Liquidity Agent” means any bank or other financial institution acting as agent for the various Liquidity Providers under each Liquidity Agreement.

“Liquidity Agreement” means any agreement entered into in connection with this Agreement pursuant to which a Liquidity Provider agrees to make purchases or advances to, or purchase assets from, any Conduit Purchaser in order to provide liquidity for such Conduit Purchaser’s Capital and Notes.

“Liquidity Provider” means each bank or other financial institution that provides liquidity support to any Conduit Purchaser pursuant to the terms of a Liquidity Agreement.

“Lock-Box” means each locked postal box with respect to which a Collection Account Bank has executed an Account Control Agreement pursuant to which it has been granted exclusive access for the purpose of retrieving and processing payments made on the Receivables and which is listed on Schedule II (as such schedule may be modified from time to time in connection with the addition or removal of any Lock-Box in accordance with the terms hereof).

“Loss Horizon Ratio” means, as of the last day of any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed by dividing:

- (a) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the number of most recently ended Fiscal Months equal to the sum of (i) the Unbilled and Payment Terms Component as of such day *plus* (ii) 2.20; *provided* that with respect to any fraction of a Fiscal Month, the aggregate initial Outstanding Balance of all Pool Receivables (other than

Unbilled Receivables) generated by the Originators during such fraction of a Fiscal Month shall be calculated as a percentage of the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the applicable Fiscal Month; by

(b) the aggregate Outstanding Balance of all Pool Receivables as of such day.

“Loss Reserve Percentage” means, at any time of determination, the product (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of (a) the Stress Factor *multiplied by* (b) the highest average of the Default Ratios for any three (3) consecutive Fiscal Months during the twelve (12) most recent Fiscal Months, *multiplied by* (c) the Loss Horizon Ratio.

“Majority Group Agents” means at least two Group Agents which in their combined Groups have Committed Purchasers representing more than 50% of the aggregate Commitments of all Committed Purchasers in all Groups (or, if the Commitments have been terminated, have Purchasers representing more than 50% of the aggregate outstanding Capital held by all the Purchasers in all Groups).

“Material Adverse Effect” means relative to any Person (*provided that if no particular Person is specified, “Material Adverse Effect” shall be deemed to be relative to the Seller, the Servicer, the Performance Guarantor and the Originators, taken as a whole*), a material adverse effect on (a) the financial condition, properties, assets, liabilities, business or results of operations of such Person and its Subsidiaries, taken as a whole, (b) the material rights and remedies of the Administrative Agent or any Purchaser under this Agreement or any other Transaction Document, (c) the ability of the such Person to perform its obligations under this Agreement or any other Transaction Document to which it is a party, (d) the validity or enforceability of this Agreement or any other Transaction Document, or the validity, enforceability, value or collectability of any material portion of the Pool Receivables, or (e) the status, perfection, enforceability or priority of the Administrative Agent’s ownership or security interest in the Sold Assets or Seller Collateral.

“Merger” has the meaning specified in the Merger Agreement.

“Merger Agreement” means the Agreement and Plan of Merger, dated as of February 27, 2026 (as in effect on the Fourth Amendment Effective Date and including the annexes, exhibits, schedules and all related documents), by and among Discovery, Paramount Skydance Corporation and Prince Sub Inc., a Delaware corporation, as the same is in effect on the Fourth Amendment Effective Date and as amended, supplemented or otherwise modified from time to time in a manner not materially adverse to the Purchasers.

“Minimum Dilution Reserve Percentage” means, at any time of determination, the product (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of (a) the average of the Dilution Ratios for the twelve (12) most recent Fiscal Months, multiplied by (b) the Dilution Horizon Ratio.

“Modified Days’ Sales Outstanding” means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to: (a) the average of the Adjusted Receivables Pool Balance as of the last day of each of the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (b) an amount equal to (i) the aggregate initial Outstanding Balance of all Pool Receivables (other than Unbilled Receivables) generated by the Originators during the three (3) most recent Fiscal Months ended on the last day of such Fiscal Month, *divided by* (ii) 90.

“Monthly Settlement Date” means the 25th day of each calendar month (or if such day is not a Business Day, the next occurring Business Day).

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto that is a nationally recognized statistical rating organization.

“Multiple Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Parent or any ERISA Affiliate and at least one Person other than the Parent and the ERISA Affiliates or (b) was so maintained and in respect of which the Parent or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

“Net Receivables Pool Balance” means, at any time of determination: (a) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool, *minus* (b) the Excess Concentration.

“Notes” means short-term promissory notes issued, or to be issued, by any Conduit Purchaser to fund its investments in accounts receivable or other financial assets.

“NZD” means the lawful money of New Zealand.

“Obligor” means, with respect to any Receivable, the Person obligated to make payments pursuant to the Contract relating to such Receivable.

“Obligor Percentage” means, at any time of determination, for each Obligor, a fraction, expressed as a percentage, (a) the numerator of which is the aggregate Outstanding Balance of the Eligible Receivables of such Obligor and its Affiliates *less* the amount (if any) then included in the calculation of Excess Concentration with respect to such Obligor and its Affiliates and (b) the denominator of which is the aggregate Outstanding Balance of all Eligible Receivables at such time.

“OFAC” means the U.S. Department of Treasury’s Office of Foreign Assets Control.

“Official Body” means the government of the United States of America or of 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) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Originator” and *“Originators”* means the “Originators” as set forth in the Purchase and Sale Agreement, as the same may be modified from time to time by adding new Originators or removing Originators, in each case pursuant to the terms of the Purchase and Sale Agreement.

“Other Connection Taxes” means, with respect to any Affected Person, Taxes imposed as a result of a present or former connection between such Affected Person and the jurisdiction imposing such Tax (other than connections arising from such Affected Person having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Transaction Document, or sold or assigned an interest in any Capital or Transaction Document).

“Other Seller” has the meaning set forth in Section 5.01(f).

“Other Taxes” means any and all present or future stamp or documentary Taxes or any other excise or property Taxes, charges or similar levies or fees arising from any payment made hereunder or from the execution, delivery, filing, recording or enforcement of, or otherwise in respect of, this Agreement, the other Transaction Documents and the other documents or agreements to be delivered hereunder or thereunder.

“Outstanding Balance” means, at any time of determination, with respect to any Receivable, the Dollar Equivalent of the then outstanding principal balance thereof.

“Paramount Skydance Corporation” means Paramount Skydance Corporation, a Delaware corporation.

“Parent” means the Performance Guarantor.

“Parent Group” has the meaning set forth in Section 8.03(c).

“Parent Senior Credit Agreement” means that certain Credit Agreement, dated as of June 9, 2021 (as amended, supplemented or otherwise modified from time to time), among Discovery Communications, LLC, certain wholly-owned subsidiaries of Discovery Communications, LLC, Warner Bros. Discovery, Inc. (f/k/a Discovery, Inc.), as Facility Guarantor, Scripps Networks Interactive, Inc., as subsidiary guarantor, the lenders from time to time party thereto and Bank of America, N.A., as administrative agent, swing line lender and L/C issuer.

“Participant” has the meaning set forth in Section 14.03(e).

“Participant Register” has the meaning set forth in Section 14.03(f).

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

“PATRIOT Act” has the meaning set forth in Section 14.15.

“PBGC” means the Pension Benefit Guaranty Corporation, or any successor thereto.

“Percentage” means, at any time of determination, with respect to any Committed Purchaser, a fraction (expressed as a percentage), (a) the numerator of which is (i) prior to the termination of all Commitments hereunder, its Commitment at such time or (ii) if all Commitments hereunder have been terminated, the aggregate outstanding Capital of all Purchasers in such Committed Purchaser’s Group at such time and (b) the denominator of which is (i) prior to the termination of all Commitments hereunder, the aggregate Commitments of all Committed Purchasers at such time or (ii) if all Commitments hereunder have been terminated, the Aggregate Capital at such time.

“Performance Guarantor” means (a) prior to the satisfaction of Section 8.05, Discovery, and (b) upon and after the satisfaction of Section 8.05, Paramount Skydance Corporation.

“Performance Guaranty” means (a) prior to the satisfaction of Section 8.05, the Performance Guaranty, dated as of April 7, 2022, by Warner Bros. Discovery, Inc. (f/k/a Discovery, Inc.) in favor of the Administrative Agent for the benefit of the Secured Parties, and (b) upon and after the satisfaction of Section 8.05, the Performance Guaranty entered into by Paramount Skydance Corporation in favor of the Administrative Agent for the benefit of the Secured Parties in accordance with Section 8.05.

“Permitted Investments” means

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the U.S. (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the U.S.), in each case maturing within one year from the date of acquisition thereof;

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

(c) investments in certificates of deposit, bankers’ acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the U.S. or any state thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

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

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

"Permitted Liens" means all liens attaching to specific motion pictures or television programming, created solely for the purpose of securing obligations to producers, distributors, exhibitors or other participants of such programming, in each case, incurred in the ordinary course of business in connection with the production, acquisition, distribution, or exhibition of such programming.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Official Body or other entity.

"PINACLE" means PNC's PINACLE® credit management service and any and all services and systems provided or used in connection therewith, and any similar or replacement electronic credit administration services implemented by PNC.

"PINACLE Agreement" means a separate written agreement between Borrower and PNC regarding PINACLE, and any amendments, modifications or replacements thereof.

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

"Plan" means a Single Employer Plan or a Multiple Employer Plan.

"Pledged Deposit Account" means that certain deposit account number 3009097279 maintained with PNC Bank, National Association in the name of the Seller which shall at all times be subject to the control of and a first priority perfected security interest in favor of the Administrative Agent.

"Pledged Investment Account" means that certain securities account number 1107001054 maintained with PNC Capital Markets LLC in the name of the Seller which shall at all times be subject to the control of and a first priority perfected security interest in favor of the Administrative Agent.

"PNC" has the meaning set forth in the preamble to this Agreement.

"Pool Receivable" means a Receivable in the Receivables Pool. For the avoidance of doubt, the Pool Receivables shall include Sold Receivables and Unsold Receivables.

“Portion of Capital” means, with respect to any Purchaser and its related Capital, the portion of such Capital being funded or maintained by such Purchaser by reference to a particular interest rate basis.

“Program Support Agreement” means and includes any Liquidity Agreement and any other agreement entered into by any Program Support Provider providing for: (a) the issuance of one or more letters of credit for the account of any Conduit Purchaser, (b) the issuance of one or more surety bonds for which any Conduit Purchaser is obligated to reimburse the applicable Program Support Provider for any drawings thereunder, (c) the sale by any Conduit Purchaser to any Program Support Provider of any Capital (or portions thereof or participation interest therein) maintained by such Conduit Purchaser and/or (d) the making of loans and/or other extensions of credit to any Conduit Purchaser in connection with such Conduit Purchaser’s receivables-securitization program contemplated in this Agreement, together with any letter of credit, surety bond or other instrument issued thereunder.

“Program Support Provider” means and includes, with respect to any Conduit Purchaser, any Liquidity Provider and any other Person (other than any customer of such Conduit Purchaser) now or hereafter extending credit or having a commitment to extend credit to or for the account of, or to make purchases from, such Conduit Purchaser pursuant to any Program Support Agreement.

“Purchase and Sale Agreement” means the Purchase and Sale Agreement, dated as of the Closing Date, among the Servicer, the Originators, and the Seller.

“Purchase and Sale Termination Event” has the meaning set forth in the Purchase and Sale Agreement.

“Purchaser Party” means each Purchaser, the Administrative Agent and each Group Agent.

“Purchasers” means the Conduit Purchasers and the Committed Purchasers.

“Rating Agency” mean each of S&P, Fitch and Moody’s (and/or each other rating agency then rating the Notes of any Conduit Purchaser).

“Receivable” means any right to payment of a monetary obligation, whether or not earned by performance, owed to any Originator or the Seller (as assignee of an Originator), whether constituting an account, chattel paper, payment intangible, instrument or general intangible, in each instance arising in connection with the sale of goods that have been or are to be sold, the licensing of property that has been or will be licensed, or for services rendered or to be rendered, in each case, by an Originator to an Obligor, and includes, without limitation, the obligation to pay any service charges, finance charges, interest, fees and other charges with respect thereto; *provided, however*, no Excluded Receivable shall constitute a Receivable. Any such right to payment arising from any one transaction, including, without limitation, any such right to payment represented by an individual invoice or agreement, shall constitute a Receivable separate from a Receivable consisting of any such right to payment arising from any other transaction.

“Receivables Pool” means, at any time of determination, all of the then outstanding Receivables (including both Sold Receivables and Unsold Receivables) transferred (or purported to be transferred) to the Seller pursuant to the Purchase and Sale Agreement, in each case prior to the Termination Date.

“Register” has the meaning set forth in Section 14.03(c).

“Related Committed Purchaser” means with respect to any Conduit Purchaser, each Committed Purchaser listed as such for each Conduit Purchaser as set forth on the signature pages of this Agreement or in any Assumption Agreement.

“Related Conduit Purchaser” means, with respect to any Committed Purchaser, each Conduit Purchaser which is, or pursuant to any Assignment and Acceptance Agreement or Assumption Agreement or otherwise pursuant to this Agreement becomes, included as a Conduit Purchaser in such Committed Purchaser’s Group, as designated on its signature page hereto or in such Assignment and Acceptance Agreement, Assumption Agreement or other agreement executed by such Committed Purchaser, as the case may be.

“Related Rights” means the “Related Rights” as defined in Section 1.1 of the Purchase and Sale Agreement.

“Related Security” means, with respect to any Receivable:

- (a) all of the Seller’s and each Originator’s interest in any goods (including Returned Goods), and documentation of title evidencing the shipment or storage of any goods (including Returned Goods), the sale of which gave rise to such Receivable;
- (b) all instruments and chattel paper that may evidence such Receivable;
- (c) all other security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all UCC financing statements or similar filings relating thereto;
- (d) solely to the extent applicable necessary to irrevocably collect and enjoy the benefits of such Receivable, all of the Seller’s and each Originator’s rights, interests and claims under the related Contracts and all supporting obligations, guaranties, indemnities, letters of credit (including any letter-of-credit rights), insurance and other agreements (including the related Contract) or arrangements of whatever character from time to time supporting or securing payment of such Receivable or otherwise relating to such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, subject, in each case, to any applicable terms of such Contract that may adversely impact the sale or assignment of such Contract (as opposed to the sale of the assignment of the Receivables or other proceeds arising thereunder);

(e) all rights, remedies, powers, privileges, title and interest (but not obligations) in and to each Lock-Box and all Collection Accounts, into which any Collections or other proceeds with respect to such Receivables may be deposited, and any related investment property acquired with any such Collections or other proceeds (as such term is defined in the applicable UCC);

(f) all of the Seller's rights, interests and claims under the Purchase and Sale Agreement and the other Transaction Documents to the extent applicable; and

(g) all Collections and other proceeds (as defined in the UCC) of any of the foregoing;

provided, notwithstanding the foregoing or any provision of any Transaction Document, none of the Administrative Agent, any Purchaser Party or any beneficiary thereof shall have the right to hold, review, view, audit or otherwise possess (x) any Contract; or (y) any financial reporting or other books or records specifically relating to such Contract and the Receivables generated thereunder, the disclosure of which is precluded by the applicable terms of such Contract, *provided, further, however*, that during the occurrence and continuance of an Event of Termination, to the extent that the related Obligor has defaulted in the payment of any Receivable, upon the request of the Administrative Agent the Seller shall provide the Administrative Agent with such information reasonably requested with respect to any such Contract (which may be redacted versions of or excerpts of any Contract) to the extent needed for the Administrative Agent to enforce such Contract against the applicable Obligor.

"Release" has the meaning set forth in Section 4.01(a).

"Replacement Person" has the meaning set forth in Section 5.01(g).

"Reportable Compliance Event" means that: (a) any Covered Entity becomes a Sanctioned Person, or is charged by indictment, criminal complaint, or similar charging instrument, arraigned, custodially detained, penalized or the subject of an assessment for a penalty, by, or enters into a settlement with an Official Body in connection with any Anti-Corruption Law, Anti-Money Laundering Law or Sanctions, or any predicate crime to U.S. money laundering crimes (18 U.S.C. §§ 1956, 1957); (b) any Covered Entity engages in a transaction that has caused or would cause any party to this Agreement (including any Purchaser Party, and any underwriter, advisor, investor, or otherwise) to be in violation of any applicable Sanctions or Anti-Corruption Law, including a Covered Entity's use of any proceeds of the Investment hereunder to directly or indirectly fund any activities or business of, with, or for the benefit of any Person that is a Sanctioned Person, or to fund any activities or business of or in any Sanctioned Jurisdiction in violation of applicable Sanctions; (c) any Sold Asset or Seller Collateral qualifies as Blocked Property; or (d) any Covered Entity otherwise violates any of the Sanctions or Anti-Corruption Law-specific representations and covenants herein.

"Representatives" has the meaning set forth in Section 14.06(c).

"Required Capital Amount" means \$240,000,000.

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

“Restatement Effective Date” means August 30, 2022.

“Restricted Payments” has the meaning set forth in Section 8.01(r).

“Returned Goods” means all right, title and interest in and to returned, repossessed or foreclosed goods and/or merchandise the sale of which gave rise to a Receivable; *provided* that such goods shall no longer constitute Returned Goods after a Deemed Collection has been deposited in a Collection Account with respect to the full Outstanding Balance of the related Receivables.

“S&P” means S&P Global Ratings, an S&P Global business, and any successor thereto that is a nationally recognized statistical rating organization.

“Sanctioned Person” means any Person that is (a) located in, organized under the laws of, or ordinarily resident in a Sanctioned Jurisdiction; (b) identified on any sanctions-related list maintained by any Compliance Authority; or (c) owned 50% or more, in the aggregate, directly or indirectly by, controlled by, or acting for, on behalf of, or at the direction of, one or more Persons described in clauses (a) or (b) above.

“Sanctioned Jurisdiction” means, at any time, a country, area, territory, or jurisdiction that is the subject or target of comprehensive U.S. sanctions (as of the Second Amendment Effective Date, Cuba, Iran, North Korea, Syria and the Crimea, Donetsk People’s Republic, and Luhansk People’s Republic regions of Ukraine).

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union or His Majesty’s Treasury of the United Kingdom.

“Seller-Related Parties” means the Seller, the Servicer, the Originators, the Parent and the Performance Guarantor.

“Scheduled Termination Date” means June 11, 2027.

“SEC” means the U.S. Securities and Exchange Commission or any governmental agencies substituted therefor.

“Second Amendment Effective Date” means June 28, 2024.

“Secured Parties” means each Purchaser Party, each Seller Indemnified Party and each Affected Person.

“Securities Act” means the Securities Act of 1933, as amended or otherwise modified from time to time.

“SEK” means the lawful money of Sweden.

“Seller” has the meaning specified in the preamble to this Agreement.

“Seller Collateral” has the meaning set forth in Section 3.09.

“Seller Guaranty” has the meaning set forth in Section 3.01.

“Seller Indemnified Amounts” has the meaning set forth in Section 13.01(a).

“Seller Indemnified Party” has the meaning set forth in Section 13.01(a).

“Seller Obligation Final Due Date” means (i) the date that is one hundred eighty (180) days following the occurrence of the Scheduled Termination Date or (ii) such earlier date on which the Aggregate Capital becomes due and payable pursuant to Section 10.01.

“Seller Obligations” means all present and future indebtedness, reimbursement obligations, and other liabilities and obligations (howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or due or to become due) of the Seller to any Purchaser Party, Seller Indemnified Party and/or any Affected Person, arising under or in connection with this Agreement or any other Transaction Document or the transactions contemplated hereby or thereby, and shall include, without limitation, all obligations of the Seller in respect of the Seller Guaranty and the payment of all Capital, Yield, Fees and other amounts due or to become due under the Transaction Documents (whether in respect of fees, costs, expenses, indemnifications or otherwise), including, without limitation, interest, fees and other obligations that accrue after the commencement of any Insolvency Proceeding with respect to the Seller (in each case whether or not allowed as a claim in such proceeding).

“Seller’s Net Worth” means, at any time of determination, an amount equal to (i) the sum of (A) the Outstanding Balance of all Pool Receivables at such time, *plus* (B) all cash then held in the Collection Accounts maintained in the name of the Seller other than any Excluded Collection Account, *minus* (ii) the sum of (A) the Aggregate Capital at such time, *plus* (B) the Aggregate Yield at such time, *plus* (C) the aggregate accrued and unpaid Fees at such time, *plus* (D) the aggregate outstanding principal balance of all Subordinated Notes at such time, *plus* (E) the aggregate accrued and unpaid interest on all Subordinated Notes at such time, *plus* (F) without duplication, the aggregate accrued and unpaid other Seller Obligations at such time.

“Servicer” has the meaning set forth in the preamble to this Agreement.

“Servicer Indemnified Amounts” has the meaning set forth in Section 13.02(a).

“Servicer Indemnified Party” has the meaning set forth in Section 13.02(a).

“Servicing Fee” means the fee referred to in Section 9.06(a) of this Agreement.

“Servicing Fee Rate” means the rate referred to in Section 9.06(a) of this Agreement.

“Settlement Date” means with respect to any Portion of Capital for any Yield Period or any Yield or Fees, (i) so long as no Event of Termination has occurred and is continuing and the Termination Date has not occurred, the Monthly Settlement Date and (ii) on and after the Termination Date or if an Event of Termination has occurred and is continuing, each day selected from time to time by the Administrative Agent (with the consent or at the direction of the Majority Group Agents) (it being understood that the Administrative Agent (with the consent or at the direction of the Majority Group Agents) may select such Settlement Date to occur as frequently as daily), or, in the absence of such selection, the Monthly Settlement Date.

“Single Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Parent or any ERISA Affiliate and no Person other than the Parent and the ERISA Affiliates or (b) was so maintained and in respect of which the Parent or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

“SOFR” shall mean, for any day, a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Floor” means a rate of interest per annum equal to 0 basis points (0.00%).

“SOFR Rate” means, at any time of determination, with respect to any Purchaser, Daily 1M SOFR or the Term SOFR Rate, as determined pursuant to Section 2.05, provided, however, that the SOFR Rate applicable to any Term SOFR Tranche funded pursuant to an Investment that occurs other than on a Monthly Settlement Date shall be Daily 1M SOFR for each day during the initial Yield Period applicable to such Term SOFR Tranche from the date such Investment is made pursuant to Section 2.01 until the next occurring Monthly Settlement Date.

“Sold Assets” has the meaning set forth in Section 2.01(b).

“Sold Receivables” means, collectively, (i) the Pool Receivables specified as “Sold Receivables” on the Initial Schedule of Sold Receivables and (ii) all additional Pool Receivables specified as “Sold Receivables” on the Investment Requests delivered with respect to all subsequent Investments made hereunder.

“Solvent” means, with respect to any Person and as of any particular date, (i) the present fair market value (or present fair saleable value) of the assets of such Person is not less than the total amount required to pay the probable liabilities of such Person on its total existing debts and liabilities (including contingent liabilities) as they become absolute and matured, (ii) such Person is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business, (iii) such Person is not incurring debts or liabilities beyond its ability to pay such debts and liabilities as they mature

and (iv) such Person is not engaged in any business or transaction, and is not about to engage in any business or transaction, for which its property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged.

“Special Obligor” has the meaning set forth in the definition of Concentration Percentage.

“Sponsor” means Turner.

“Spot Rate” means, on any day, with respect to the determination of the Dollar Equivalent of any amount denominated in Foreign Currency, the exchange rate at which such Foreign Currency may be exchanged into Dollars as set forth at approximately 11:00 a.m. New York City time, on such day as published on the Bloomberg Key Cross-Currency Rates Page for such Foreign Currency; *provided* that in the event that such rate does not appear on any Bloomberg Key Cross Currency Rates Page, the Spot Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be selected by the Administrative Agent and is reasonably satisfactory to the Seller, or, in the absence of such an agreement, such Spot Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 11:00 a.m. New York City time, on such date for the purchase of Dollars with the applicable Foreign Currency for delivery two (2) Business Days later; *provided*, that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

“Stress Factor” means 2.5.

“Structuring Agent” means PNC Capital Markets LLC, a Pennsylvania limited liability company.

“Sub-Servicer” has the meaning set forth in Section 9.01(d).

“Subject Originator” means, at any time of determination, any Subsidiary (organized under the laws of the United States or any state thereof) of Parent for which the aggregate Outstanding Balance of all Receivables of such Subsidiary of Parent does not exceed 3.0% of the aggregate Outstanding Balance of all Receivables in the Receivables Pool at such time.

“Subordinated Note” has the meaning set forth in Section 3.1(b) of the Purchase and Sale Agreement.

“Subsidiary” means, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock of each class or other interests having ordinary voting power (other than stock or other interests having such power only by reason of the happening of a contingency) to elect a majority of the Board of Directors or other managers of such entity are at the time owned, or management of which is otherwise controlled: (a) by such Person, (b) by one

or more Subsidiaries of such Person or (c) by such Person and one or more Subsidiaries of such Person.

“Sustainability Agent” means PNC Capital Markets LLC, a Pennsylvania limited liability company.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority and all interest, penalties, additions to tax and any similar liabilities with respect thereto.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Rate” means with respect to any Tranche Period, the interest rate per annum equal to the Term SOFR Reference Rate for a tenor comparable to such Tranche Period, as such rate is published by the Term SOFR Administrator on the day (the *“Term SOFR Determination Date”*) that is two (2) Business Days prior to the first day of such Tranche Period; provided, however, that with respect to the initial Tranche Period for the Capital of an Investment made on a date that is not a Monthly Settlement Date, the Term SOFR Rate shall be the interest rate per annum equal to Daily 1M SOFR for each day during such initial Tranche Period from the date that such Investment is made pursuant to Section 2.01 until the next occurring Monthly Settlement Date. If the Term SOFR Reference Rate for the applicable tenor has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (New York City time) on the Term SOFR Determination Date, then the Term SOFR Reference Rate, for purposes of clause (A) in the preceding sentence, shall be the Term SOFR Reference Rate for such tenor on the first Business Day preceding such Term SOFR Determination Date for which such Term SOFR Reference Rate for such tenor was published in accordance herewith, so long as such first preceding Business Day is not more than three (3) Business Days prior to such Term SOFR Determination Date. If the Term SOFR Rate, determined as provided above, would be less than the SOFR Floor, then the Term SOFR Rate shall be deemed to be the SOFR Floor. The Term SOFR Rate shall be adjusted automatically without notice to the Seller on and as of the first day of each Tranche Period

“Term SOFR Reference Rate” shall mean the forward-looking term rate based on SOFR.

“Term SOFR Tranche” means any Capital (or portion thereof) accruing Yield at the Term SOFR Rate.

“Termination Date” means the earliest to occur of (a) the Scheduled Termination Date, (b) the date on which the “Termination Date” is declared or deemed to have occurred under Section 10.01 and (c) the date selected by the Seller on which all Commitments have been reduced to zero pursuant to Section 2.02(e).

“Total Reserves” means, at any time of determination, an amount equal to (A) the Net Receivables Pool Balance at such time *times* (B) the sum of: (x) the Yield Reserve Percentage,

plus (y) the greater of (I) the sum of the Concentration Reserve Percentage *plus* the Minimum Dilution Reserve Percentage and (II) the sum of the Loss Reserve Percentage *plus* the Dilution Reserve Percentage *plus* (z) the FX Reserve.

“Tranche Period” means, with respect to any Term SOFR Tranche, a period of one or three months selected by the Seller pursuant to Section 2.05. Each Tranche Period shall commence on a Monthly Settlement Date and end on (but not including) the Monthly Settlement Date occurring one or three calendar months thereafter, as selected by the Seller pursuant to Section 2.05; *provided, however*, that if the date any Capital (or portion thereof) is funded pursuant to an Investment made on a date that is not a Monthly Settlement Date pursuant to Section 2.01, the initial Tranche Period for such Capital (or such portion thereof) shall commence on the date such Investment is made pursuant to Section 2.01 and end on the next Monthly Settlement Date occurring after the day in the applicable succeeding calendar month which corresponds numerically to the beginning day of such initial Tranche Period; *provided, further*, that if any Tranche Period would end after the Termination Date, such Tranche Period (including a period of one day) shall end on the Termination Date.

“Transaction Documents” means this Agreement, the Purchase and Sale Agreement, the GDS Assignment Agreement, the Account Control Agreements, the Fee Letter, each Subordinated Note, the Performance Guaranty, any Credit Insurance Policy relating to any Pool Receivable then being reported in an Information Package (or being included in the Net Receivables Pool Balance) as an Insured Receivable and all other certificates, instruments, UCC financing statements, reports, notices, agreements and documents executed or delivered under or in connection with this Agreement.

“Turner” has the meaning specified in the preamble to this Agreement.

“Turner Originator” means each of Turner Broadcasting System, Inc., AC Holdings, Inc., Bleacher Report, Inc., Cable News Network, Inc., Cartoon Interactive Group, Inc., CNN Interactive Group, Inc., Courtroom Television Network, LLC, Great Big Story, LLC, TBS Interactive Group, Inc., The Cartoon Network, Inc., TNT Interactive Group, Inc., Turner Classic Movies, Inc., Turner Network, Television, Inc., Turner Sports, Inc. and Turner Sports Interactive, Inc.

“UCC” means the Uniform Commercial Code as from time to time in effect in the applicable jurisdiction.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Unbilled and Payment Terms Component” means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to the ratio of (a) the Modified Days Sales Outstanding as of such date *divided by* (b) 30.

“Unbilled Receivable” means, at any time, any Receivable as to which the invoice or bill with respect thereto has not yet been sent to the Obligor thereof.

“Unmatured Event of Termination” means an event that but for notice or lapse of time or both would constitute an Event of Termination.

“Unsold Receivables” means, at any time, all Pool Receivables that are not then Sold Receivables.

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

“U.S. Obligor” means an Obligor that is a corporation or other business organization and is organized under the laws of the United States of America (or of a United States of America territory, district, state, commonwealth, or possession, including, without limitation, Puerto Rico and the U.S. Virgin Islands) or any political subdivision thereof.

“U.S. Tax Compliance Certificate” has the meaning set forth in Section 5.03(f)(ii)(B)(3).

“Volcker Rule” means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

“Voting Stock” means Capital Stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right to so vote has been suspended by the happening of such a contingency.

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

“Yield” means an amount payable to each Purchaser in respect of its Capital accruing on each day when such Purchaser has Capital outstanding, which amount for any Purchaser’s Capital (or portion thereof) for any day during any Yield Period (or portion thereof) is the amount accrued on such Capital (or portion thereof) during such Yield Period (or portion thereof) in accordance with Section 2.03(b).

“Yield Period” means, with respect to any Purchaser’s Capital (or any portion thereof), (a) before the Termination Date: (i) initially, the period commencing on the date of the Investment pursuant to which such Capital (or portion thereof) is funded by a Purchaser to the Seller pursuant to Section 2.01 and ending on (but not including) the next Monthly Settlement Date and (ii) thereafter, each period commencing on such Monthly Settlement Date and ending on (but not including) the next Monthly Settlement Date and (b) on and after the Termination Date, such period (including a period of one day) as shall be selected from time to time by the Administrative Agent (with the consent or at the direction of the Majority Group Agents) or, in the absence of any such selection, each period of 30 days from the last day of the preceding Yield Period.

“Yield Rate” means, for any day in any Yield Period for any Purchaser’s Capital (or any portion thereof) the applicable Bank Rate;

provided, however, that the “Yield Rate” for any Purchaser’s Capital (or any portion thereof) on any day while an Unmatured Event of Termination or Event of Termination has occurred and is continuing shall be an interest rate per annum equal to the sum of 2.0% per annum plus the greater of (i) the Base Rate in effect on such day, and (ii) the Term SOFR Rate for a Tranche Period of one month with respect to such Purchaser for such Yield Period; *provided, further*, that no provision of this Agreement shall require the payment or permit the collection of Yield in excess of the maximum permitted by Applicable Law; and *provided, further*, that Yield for any Capital shall not be considered paid by any distribution to the extent that at any time all or a portion of such distribution is rescinded or must otherwise be returned for any reason.

“Yield Reserve Percentage” means at any time of determination, the result (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) of the following:

$$\frac{1.50 \times \text{DSO} \times (\text{BR} + \text{the Servicing Fee Rate})}{360}$$

where:

BR = the Base Rate at such time; and

DSO = the Days’ Sales Outstanding for the most recently ended Fiscal Month.

SCHEDULE I
COMMITMENTS

SCHEDULE I

SCHEDULE II

LOCK-BOXES, COLLECTION ACCOUNTS AND COLLECTION ACCOUNT BANKS

SCHEDULE III

NOTICE ADDRESSES

SCHEDULE IV

INITIAL SCHEDULE OF SOLD RECEIVABLES

SCHEDULE V

[RESERVED]

SCHEDULE V

SCHEDULE VI
SPECIAL OBLIGORS

NON-EMPLOYEE DIRECTOR RSU FORM

#ParticipantName#

Dear #ParticipantName#,

Congratulations, you have been awarded a restricted stock unit (“**RSU**”) in recognition of your contributions to the success of Warner Bros. Discovery, Inc. (the “**Company**”). We would like you to have an opportunity to share in the continued success of the Company through this RSU under the Warner Bros. Discovery, Inc. 2005 Non-Employee Director Incentive Plan (As Amended and Restated) (the “**Plan**”). An RSU entitles you to receive a specific number of shares of the Company’s Series A common stock at a future date, assuming that you satisfy conditions of the Plan and the implementing agreement. The following represents a brief description of your grant. Additional details regarding your RSU are reflected in the attached Restricted Stock Unit Agreement (the “**Grant Agreement**”) and copy of the Plan.

RSU Grant Summary:

Date of Grant	#GrantDate#
RSU Shares	#QuantityGranted#
Vesting Schedule	100% of the RSU Shares on the one-year anniversary of the date of grant or the date of the Company’s 2027 Annual Meeting of Stockholders, whichever is earlier (such date, the “ Vesting Date ”).

- You have been granted an RSU for the number of shares of Warner Bros. Discovery, Inc. Series A Common Stock (“**Shares**”) specified under “RSU Shares” in the chart.
- The potential value of your RSU increases if the price of a Share increases, but you also have to continue to provide services for the Company (except as the Grant Agreement provides) to actually receive such value. Of course, the value of a Share may go up and down over time.
- You will not receive the Shares represented by the RSU until the RSU vests. Your RSU vests as provided in the chart above under “Vesting Schedule” and “Vesting Date,” assuming you remain a director or become and remain an employee of the Company and subject to the terms in the Grant Agreement.
- Once you have received the Shares, you will own the Shares and may decide whether to hold the Shares, sell the Shares or give the Shares to someone as a gift, subject to Company policy and applicable law.
- Your ability to receive Shares in respect of the RSU is conditioned upon compliance with any local laws that apply to you.

WARNER BROS. DISCOVERY, INC.
RESTRICTED STOCK UNIT GRANT AGREEMENT FOR NON-EMPLOYEE DIRECTORS

Warner Bros. Discovery, Inc. (the “**Company**”) has granted you a restricted stock unit (the “**RSU**”) under the Warner Bros. Discovery, Inc. 2005 Non-Employee Director Incentive Plan (As Amended and Restated) (the “**Plan**”). The RSU lets you receive a specified number (the “**RSU Shares**”) of shares of the Company’s Series A common stock (“**Shares**”) upon satisfaction of the conditions to receipt specified herein.

The individualized communication you received (the “**Cover Letter**”) provides the details for your RSU. It specifies the number of RSU Shares you are eligible to receive, the Date of Grant, the schedule for vesting, and the Vesting Date.

The RSU is subject in all respects to the applicable provisions of the Plan. This Grant Agreement does not cover all of the rules that apply to the RSU under the Plan; please refer to the Plan document. Capitalized terms are defined either further below in this grant agreement (the “**Grant Agreement**”) or in the Plan.

The Plan document is available on the Fidelity website. The Prospectus for the Plan, the Company’s S-8, Annual Report on Form 10-K, and other filings the Company makes with the Securities and Exchange Commission are available for your review on the Company’s web site. You may also obtain paper copies of these documents upon request to the Company’s Corporate Secretary or People and Culture Department.

Neither the Company nor anyone else is making any representations or promises regarding the duration of your service, vesting of the RSU, the value of the Shares or of this RSU, or the Company's prospects. The Company is not providing any advice regarding tax consequences to you or regarding your decisions regarding the RSU. You agree to rely only upon your own personal advisors.

NO ONE MAY SELL, TRANSFER, OR DISTRIBUTE THE RSU OR ANY SECURITIES THAT MAY BE RECEIVED IN RESPECT OF IT WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATING THERETO OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY OR OTHER INFORMATION AND REPRESENTATIONS SATISFACTORY TO IT THAT SUCH REGISTRATION IS NOT REQUIRED.

In addition to the Plan's terms and restrictions, the following terms and restrictions apply:

1. **Vesting Schedule.** Except as otherwise provided in this Grant Agreement, your RSU becomes nonforfeitable ("**Vested**") as provided in the Cover Letter and the Grant Agreement if you continue your "Service-Providing Relationship" (as a member of the Company's board of directors (the "**Board**") or as an employee of the Company) with the Company until the Vesting Date. For purposes of this Grant Agreement, employment with the Company will include employment with any Subsidiary whose employees are then eligible to receive Awards under the Plan (provided that a later transfer of employment to an ineligible Subsidiary will not terminate employment unless the Board determines otherwise). Vesting will accelerate fully if your Service-Providing Relationship ends as a result of your death or Disability (as defined in the Plan).
2. **Change in Control.** Notwithstanding the Plan's provisions, if an Approved Transaction, Control Purchase, or Board Change (each a "**Change in Control**") occurs before the Vesting Date, the RSU will only have accelerated Vesting in connection with the Change in Control if (i) during your Service-Providing Relationship and on or after the Change in Control, such Service-Providing Relationship terminates (including as a result of your resignation and other than for "cause" as determined under Section 11.2(b) of the Plan) and (ii) with respect to any Approved Transaction, the transaction actually closes before the Vesting Date. Accelerated Vesting will only accelerate the Distribution Date if and to the extent permitted under Section 409A of the Internal Revenue Code.

The Board reserves its ability under Section 11.1(b) of the Plan to vary this treatment if the Board determines there is an equitable substitution or replacement award in connection with a Change in Control.

3. **Restrictions and Forfeiture.** You may not sell, assign, pledge, encumber, or otherwise transfer ("**Transfer**") any interest in the RSU Shares. Any attempted Transfer that precedes the Distribution Date is invalid.

Unless the Board determines otherwise or the Grant Agreement provides otherwise, if your service with the Company terminates for any reason before your RSU is Vested, then you will forfeit the RSU (and the corresponding RSU Shares), except to the extent that the RSU becomes Vested as a result of the termination. You will receive no payment for the RSU if you forfeit it.

4. **Distribution Date.** Subject to any overriding provisions in the Plan or in Section 13 below, you will receive a distribution of the Shares equivalent to your Vested RSU Shares as soon as practicable following the Vesting Date (with the actual date being the "**Distribution Date**") and, in any event, no later than March 15 of the year following the calendar year in which the Vesting Date occurred, unless you have made a timely deferral election to defer distribution to a later date (in which case the deferred date will be the "**Distribution Date**").
5. **Limited Status.** You understand and agree that the Company will not consider you a shareholder for any purpose with respect to the RSU Shares, unless and until the Shares have been issued to you on the Distribution Date. You will not receive dividends with respect to the RSU.
6. **Voting.** You may not vote the RSU. You may not vote the RSU Shares unless and until the Shares are distributed to you.

- 7. Taxes and Withholding.** The RSU provides tax deferral, meaning that the RSU Shares are not taxable until you actually receive the Shares on the Distribution Date. You will then owe taxes at ordinary income tax rates as of the Distribution Date at the value of the Shares issued in settlement of the Vested RSU Shares. (If you are or become a Company employee, you may owe FICA and HI (Social Security and Medicare) taxes before the Distribution Date.)

Issuing the Shares in respect of the RSU is contingent on satisfaction of all obligations with respect to required tax or other required withholdings (for example, in the U.S., Federal, state, and local taxes, if you are then an employee of the Company). The Company may take any action permitted under Section 11.8 of the Plan to satisfy such obligation, including, if the Board so determines, satisfying the tax obligations by (i) reducing the number of Shares to be issued to you in respect of your RSU by that number of RSU Shares (valued at their Fair Market Value on the Distribution Date) that would equal all taxes required to be withheld (at their minimum withholding levels), (ii) accepting payment of the withholdings from a broker in connection with a sale of the Shares or directly from you, or (iii) taking any other action under Section 11.8 of the Plan. If a fractional share remains after deduction for required withholding, the Company will pay you the value of the fraction in cash.

- 8. Compliance with Law.** The Company will not issue any Shares if doing so would violate any applicable Federal or state securities laws or other laws or regulations. You may not sell or otherwise dispose of any Shares issued in respect of the RSU in violation of applicable law.

- 9. Additional Conditions to Receipt.** The Company may postpone issuing and delivering any Shares in respect of the RSU for so long as the Company determines to be advisable to satisfy the following:

- (a) its completing or amending any securities registration or qualification of the Shares *or* its or your satisfying any exemption from registration under any Federal or state law, rule, or regulation;
- (b) its receiving proof it considers satisfactory that a person seeking to receive rights in respect of the RSU after your death is entitled to do so;
- (c) your complying with any requests for representations under the Plan; and
- (d) your complying with any Federal, state, or local tax withholding obligations.

- 10. Additional Representations from You.** If the vesting provisions of the RSU are satisfied and you are entitled to receive RSU Shares at a time when the Company does not have a current registration statement (generally on Form S-8) under the Securities Act of 1933, as amended (the “*Act*”), that covers issuances of shares to you, you must comply with the following before the Company will issue the RSU Shares to you. You must —

- (a) represent to the Company, in a manner satisfactory to the Company’s counsel, that you are acquiring the Shares for your own account and not with a view to reselling or distributing the Shares; and
- (b) agree that you will not Transfer the Shares unless:
 - (i) a registration statement under the Act is effective at the time of disposition with respect to the Shares you propose to Transfer; or

(ii) the Company has received an opinion of counsel or other information and representations it considers satisfactory to the effect that, because of Rule 144 under the Act or otherwise, no registration under the Act is required.

- 11. No Effect on Board Service, Employment or Other Relationship.** Nothing in this Grant Agreement restricts the Company's rights or those of any of its Affiliates to terminate your Service-Providing Relationship at any time and for any or no reason. The termination of your Service-Providing Relationship, whether by the Company or any of its Affiliates or otherwise, and regardless of the reason for such termination, has the consequences provided for under the Plan and any applicable employment or severance agreement or plan.
- 12. No Effect on Running Business.** You understand and agree that the existence of the RSU will not affect in any way the right or power of the Company or its stockholders to make or authorize any adjustments, recapitalizations, reorganizations, or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company or any of its Affiliates, or any issuance of bonds, debentures, preferred or other stock, with preference ahead of or convertible into, or otherwise affecting the Company's common stock or the rights thereof, or the dissolution or liquidation of the Company or any of its Affiliates, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether or not of a similar character to those described above.
- 13. Section 409A.** The RSU is intended to be exempt from or comply with the requirements of Section 409A of the Internal Revenue Code and must be construed consistently with that section. Notwithstanding anything in the Plan or this Grant Agreement to the contrary, if the RSU Vests in connection with your "separation from service" within the meaning of Section 409A, as determined by the Company), other than due to death, and if (x) you are then a "specified employee" within the meaning of Section 409A at the time of such separation from service (as determined by the Company, by which determination you agree you are bound) and (y) the distribution of RSU Shares under such accelerated RSU will result in the imposition of additional tax under Section 409A if distributed to you within the six-month period following your separation from service, then the distribution under such accelerated RSU will not be made until the earlier of (i) the date that is six months and one day following the date of your separation from service or (ii) the 10th day after your date of death. Neither the Company nor you shall have the right to accelerate or defer the delivery of any such RSU Shares or benefits except to the extent specifically permitted or required by Section 409A. In no event may the Company or you defer the delivery of the RSU Shares beyond the date specified in the **Distribution Date** section, unless such deferral complies in all respects with Treasury Regulation Section 1.409A-2(b) related to subsequent changes in the time or form of payment of nonqualified deferred compensation arrangements, or any successor regulation. In any event, the Company makes no representations or warranties and shall have no liability to you or any other person, if any provisions of or distributions under this Agreement are determined to constitute deferred compensation subject to Section 409A but not to satisfy the conditions of that section.
- 14. Unsecured Creditor.** The RSU creates a contractual obligation on the part of the Company to make a distribution of Shares at the time provided for in this Grant Agreement. Neither you nor any other party claiming an interest in deferred compensation hereunder shall have any interest whatsoever in any specific assets of the Company and its Affiliates. Your right to receive distributions hereunder is that of an unsecured general creditor of the Company.
- 15. Governing Law.** The laws of the State of Delaware will govern all matters relating to the RSU, without regard to the principles of conflict of laws.

- 16. Notices.** Any notice you give to the Company must follow the procedures then in effect. If no other procedures apply, you must send your notice in writing by hand or by mail to the office of the Company's Secretary (or to the Chair of the Board if you are then serving as the sole Secretary). If mailed, you should address it to the Company's Secretary (or the Chair of the Board) at the Company's then corporate headquarters, unless the Company directs RSU holders to send notices to another corporate department or to a third-party administrator or specifies another method of transmitting notice. The Company and the Board will address any notices to you using its standard electronic communications methods or at your office or home address as reflected on the Company's personnel or other business records. You and the Company may change the address for notice by notice to the other, and the Company can also change the address for notice by general announcements to RSU holders.
- 17. Amendment.** Subject to any required action by the Board or the stockholders of the Company, the Company may cancel the RSU and provide a new Award in its place, provided that the Award so replaced will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect the RSU to the extent then Vested.
- 18. Plan Governs.** Wherever a conflict may arise between the terms of this Grant Agreement and the terms of the Plan, the terms of the Plan will control. The Board may adjust the number of RSU Shares and other terms of the RSU from time to time as the Plan provides.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a - 14(a) AND RULE 15d - 14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, David M. Zaslav, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Warner Bros. Discovery, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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 6, 2026

By: /s/ David M. Zaslav

David M. Zaslav
President and Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a - 14(a) AND RULE 15d - 14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Gunnar Wiedenfels, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Warner Bros. Discovery, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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 6, 2026

By: /s/ Gunnar Wiedenfels

Gunnar Wiedenfels
Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Warner Bros. Discovery, Inc. ("Warner Bros. Discovery"), on Form 10-Q for the quarter ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David M. Zaslav, President and Chief Executive Officer of Warner Bros. Discovery, certify that to my knowledge:

- 1 the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2 the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Warner Bros. Discovery.

Date: August 6, 2026

By: /s/ David M. Zaslav

David M. Zaslav
President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Warner Bros. Discovery, Inc. ("Warner Bros. Discovery"), on Form 10-Q for the quarter ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gunnar Wiedenfels, Chief Financial Officer of Warner Bros. Discovery, certify that to my knowledge:

- 1 the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2 the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Warner Bros. Discovery.

Date: August 6, 2026

By: /s/ Gunnar Wiedenfels

Gunnar Wiedenfels
Chief Financial Officer